

Historic, Archive Document

Do not assume content reflects current scientific knowledge, policies, or practices.

LEGISLATIVE HISTORY

Public Law 263--80th Congress

Chapter 383--1st Session

H. R. 1995

TABLE OF CONTENTS

Digest of Public Law 263	1
Index and Summary of History on H. R. 1995	1

DIGEST OF PUBLIC LAW 263

REFUND OF RETIREMENT DEDUCTIONS. Amends the Civil Service Retirement Act so as to provide for the return of retirement deductions from the compensation of any employee who is separated from the service or transferred to a position not within the purview of such Act before completing ten years of civilian service, and makes such amendment effective January 24, 1942.

INDEX AND SUMMARY OF HISTORY ON H. R. 1995

February 17, 1947	H. R. 1995 was introduced by Rep. Jones and was referred to the House Committee on Post Office and Civil Service. Print of the bill as introduced.
June 12, 1947	House Committee ordered reported H. R. 1995.
June 19, 1947	House Committee reported H. R. 1995 with amendments. House Report 615. Print of the bill as reported.
July 7, 1947	H. R. 1995 was discussed in the House and passed as reported.
July 8, 1947	H. R. 1995 was referred to the Senate Committee on Civil Service. Print of the bill as referred.
July 15, 1947	Senate Committee approved but did not report H. R. 1995.
July 21, 1947	Senate Committee reported H. R. 1995 without amendment. Senate Report 633. Print of the bill as reported.
July 23, 1947	H. R. 1995 was discussed in the Senate and passed as reported.
	Remarks of Rep. Devitt.
July 30, 1947	Approved. Public Law 263.

80TH CONGRESS
1ST SESSION

H. R. 1995

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 17, 1947

MR. JONES of Washington introduced the following bill; which was referred to the Committee on Post Office and Civil Service

A BILL

To amend the Civil Service Retirement Act of May 29, 1930, as amended, to provide for the return of the amount of deductions from the compensation of any employee who is separated from the service or transferred to a position not within the purview of such Act before completing ten years of service.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That section 12 (b) of the Civil Service Retirement Act
4 of May 29, 1930, as amended, is amended to read as follows:
5 “(b) In the case of any officer or employee to whom
6 this Act applies who shall be transferred to a position not
7 within the purview of this Act, or who shall become abso-

1 lutely separated from the service before he shall have com-
2 pleted an aggregate of ten years of service computed in
3 accordance with section 5 of this Act, the amount of deduc-
4 tions from his basic salary, pay, or compensation credited
5 to his individual account, together with interest at 4 per
6 centum compounded on December 31 of each year, shall,
7 upon the employee's request, be returned to such officer or
8 employee: *Provided*, That when an officer or employee be-
9 comes involuntarily separated from the service, not by
10 removal for cause on charges of misconduct or delinquency
11 before completing ten years of creditable service the total
12 amount of deductions from his basic salary, pay, or compen-
13 sation with interest at 4 per centum compounded on Decem-
14 ber 31 of each year shall, upon the employee's request, be
15 returned to such officer or employee: *Provided further*, That
16 no such interest shall be allowed on any separation unless
17 the service covered thereby aggregates more than one year:
18 *Provided further*, That all deductions from basic salary, pay,
19 or compensation so returned to an officer or employee must,
20 upon reinstatement, retransfer, or reappointment to a posi-
21 tion coming within the purview of this Act be redeposited
22 with interest at 4 per centum compounded on December 31
23 of each year before such officer or employee may derive any

1 benefits under this Act, except as provided in this section,
2 but interest shall not be required covering any period of
3 separation from the service. In computing interest under
4 this subsection, a fractional part of a month in the total
5 service of an officer or employee shall be disregarded.”

80TH CONGRESS
1ST SESSION

H. R. 1995

A BILL

To amend the Civil Service Retirement Act of May 29, 1930, as amended, to provide for the return of the amount of deductions from the compensation of any employee who is separated from the service or transferred to a position not within the purview of such Act before completing ten years of service.

By Mr. JONES of Washington

FEBRUARY 17, 1947

Referred to the Committee on Post Office and Civil Service

DIGEST OF
CONGRESSIONAL PROCEEDINGS
OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
Division of Legislative Reports
(For Department staff only)

Issued June 13, 1947
For actions of June 12, 1947
80th-1st, No. 111

CONTENTS

Appropriations.....	2	Flood control.....	2,3,18,23	Personnel.....	7,21,32
Assistant Secretary.....	10	Foreign affairs.....	1,12,29,30	Prices, support.....	1
Audit.....	16	Fruits and vegetables.....	26,29	Regional authorities.....	18
Communications.....	14	Housing.....	5	Sugar.....	2,4,8
Crop insurance.....	25	Lands, reclamation.....	15,27	Trade, foreign.....	26
Education.....	13,28,30	Loans.....	13	Transportation.....	11,17
Electrification.....	19,31	Marketing.....	6	Veterans' benefits.....	13
Expenditures.....	33	Organization, executive....	5	Water utilization.....	24
Federal aid.....	28	Payments in lieu of taxes..	9	Wildlife.....	22
Fertilizers.....	20			Wool.....	1

HIGHLIGHTS: House received conference report on wool bill; conferees agreed to House bill, except for modified import-control provision making Sec. 22 applicable to wool but preventing this from interfering with existing international agreements. House passed deficiency appropriation bill; reduced sugar item, discussed reasons for ending sugar rationing. House committee reported bill to facilitate authorization for USDA flood-control surveys. Senate committee reported on investigation of payments in lieu of taxes. Sen. Butler urged removal of remaining sugar controls.

HOUSE

1. WOOL-PRICE SUPPORTS. Received the conference report on S. 814, the wool bill (p. 7064). The modified bill is the same as passed by the House except for a change in the import-control provision. As changed, the bill would make Sec. 22 of the AAA Act applicable to wool programs under the bill provided that no action under this provision shall be in contravention of "any treaty or international agreement to which the United States is now a party."
2. SECOND URGENT DEFICIENCY APPROPRIATION BILL, 1947. Passed with amendments this bill, H.R. 3791 (pp. 7042-7). Agreed to an amendment by Rep. Taber, N.Y., to reduce the sugar item from \$415,000 to \$215,000 (pp. 7042-5). During debate on the sugar amendment there was discussion as to why sugar rationing was ended. No other amendments were agreed to affecting this Department. Agreed to an amendment by Rep. Taber to provide \$12,000,000 for emergency flood-control work by the War Department (pp. 7045-7). For provisions of the bill, see Digest 110.
3. FLOOD CONTROL. The Public Works Committee reported without amendment H.R. 3146, to authorize the Agriculture Department to make flood control examinations and surveys of watersheds concerning which the War Department is authorized to make such surveys regarding the waterways, and authorizes this Department to make supplemental flood control reports when requested by either Public Works Committee (H.Rept. 583) (p. 7065).
Passed without amendment H.R. 3792, to authorize appropriation of \$15,000,000 for emergency flood-control work by the War Department (p. 7033). See item 2 for appropriation.
4. SUGAR CONTROLS. Reps. Rich, Rayburn, and Keefe discussed the reasons for ending

sugar rationing (p. 7034).

5. REORGANIZATION. The Expenditures in the Executive Departments Committee reported without amendment H. Con. Res. 51, to disapprove the President's Reorganization Plan 3, regarding housing (H. Rep. 580) (p. 7042).
6. MARKETING AGREEMENTS. The Agriculture Committee ordered reported* H. R. 452, to amend the Marketing Agreement Act so as to permit marketing agreements and orders to operate under certain conditions when the seasonal average price is above parity, make provisions of the act applicable to any agricultural commodity, permit a requirement of compulsory inspection, authorize the levying of assessments when no regulation is in effect, and include additional commodities by a referendum vote of the majority of the producers of a commodity (p. D370).

*Copies of the bill and report will not be available until the bill is actually reported, when this Digest will include a statement to that effect.

7. PERSONNEL; RETIREMENT. The Post Office and Civil Service Committee ordered reported H. R. 1995, to amend the Civil Service Retirement Act so as to provide for return of retirement deductions to employees separated, or transferred to positions not within the purview of the act, before completing 10 years of service (p. D371).

*Copies of the bill and report will not be available until the bill is actually reported, when this Digest will include a statement to that effect.

SENATE

8. SUGAR CONTROLS. Sen. Butler, Nebr., urged removal of the remaining controls on sugar (price control and industrial allocation) by withholding funds for the administration of these controls after June 30, 1947 (pp. 7026-7).
9. PAYMENTS IN LIEU OF TAXES. The Public Lands Committee submitted a report of an investigation of contributions to local governments on account of nontaxable Federal lands located within the jurisdiction of such governments (S. Rept. 270) (p. 6995).
10. ASSISTANT SECRETARY. The Daily Digest states that the Interstate and Foreign Commerce Committee "approved S. 1421, authorizing the appointment of an additional Assistant Secretary of Commerce" (p. D368).
11. TRANSPORTATION. Continued debate on S. 110, to amend the ICC act regarding agreements between carriers (pp. 7005-29).
The Interstate and Foreign Commerce Committee reported with an amendment S. 1297, to extend the authority under title III of the Second War Powers Act for the operation of ODT until Jan. 31, 1948 (S. Rept. 264) (pp. 6995, D368).
12. FOREIGN RELIEF. The Foreign Relations Committee reported without amendment S. J. Res. 124, to enable the President to utilize the appropriations for U. S. participation in the work of UNRRA for meeting administrative expenses of Government agencies in connection with the liquidation of UNRRA (S. Rept. 266) (p. 6995).
13. VETERANS' BENEFITS; EDUCATION. The Labor and Public Welfare Committee reported without amendment S. 1392, to prescribe certain dates for the purpose of determining eligibility of veterans for vocational rehabilitation, and for education, training, guaranty of loans, and readjustment allowances under the Servicemen's Readjustment Act of 1944 (S. Rept. 268) (p. 6995).
14. GOVERNMENT COMMUNICATIONS. The Daily Digest states that the Interstate and For-

curity Act of 1947, and heard John P. Bracken, president, Reserve Officers of the Naval Service. Hearings will be continued next Tuesday.

FOREIGN AFFAIRS

Committee on Foreign Affairs: Met in executive session on H. R. 2675, Philippine Rehabilitation Act of 1946.

FOOD AND DRUGS

Committee on Interstate and Foreign Commerce: Food and Drug Subcommittee held hearings on H. R. 3128 and H. R. 3147, to amend the Federal Food, Drug, and Cosmetic Act, and heard Charles W. Crawford, Associate Commissioner, Food and Drug Administration, Washington, D. C.; Charles Wesley Dunn, New York, N. Y.; and Ernest W. Harrison, New York, N. Y.; all of whom favored the proposed legislation.

JUDICIAL

Committee on the Judiciary: Met in executive session and ordered favorably reported to the House, with amendments, the following bills: H. R. 1639, to provide the venue in actions brought in U. S. district courts or in State courts against interstate common carriers by railroad for damages for wrongful death or personal injuries; H. R. 1810, permitting part-time referees in bankruptcy to prosecute certain claims against the Government; H. R. 3769, providing that members of the National Guard of the United States and of the National Guard of a State may serve as part-time referee in bankruptcy; and H. R. 3555, to make eligible for naturalization racially ineligible parents whose sons died while serving in the armed services during World War II.

Subcommittee on Claims met in executive session on H. R. 669, to provide a method of paying subrogation claims arising out of insurance payments for damages sustained as a result of explosions at Port Chicago, Calif., on June 17, 1946.

June 11, agreed to report favorably to the full committee seven private claims bills, and to report four private claims bills adversely.

COAST GUARD

Committee on Merchant Marine and Fisheries: Subcommittee on Coast Guard, Coast and Geodetic Survey, and Public Health Service met in executive session and ordered favorably reported to the full committee H. R. 3494 relating to Coast Guard personnel.

Subcommittee on Ship Sales, Charters, and Lay-ups continued hearings on amendments to the Ship Sales Act of 1946 and heard Brig. Gen. Paul F. Yount; and Col. Thomas S. Lowry of the War Department; and Max Ball of the Interior Department.

RETIREMENT—MAIL DELIVERY—CENSUS

Committee on Post Office and Civil Service: Met in executive session and ordered reported and placed on Consent Calendar H. R. 1995, to amend the Civil Service Re-

tirement Act of May 29, 1930, as amended, to provide for the return of the amount of deductions from the compensation of any employee who is separated from the service or transferred to a position not within the purview of such act before completing 10 years of service, with amendment; H. R. 3638, to amend section 10 of the act establishing a National Archives of the U. S. Government; H. R. 3513, to transfer the Panama Railroad pension fund to the civil-service retirement and disability fund; H. R. 2588, concerning mails consigned between an airport and a post office within a 35-mile radius of a city in which there is a Government-owned motor vehicle service, as amended; and H. R. 1821, providing for censuses of manufactures, mineral industries, and other businesses every fifth year, as amended.

ALASKA HOMESTEAD—MODOC FOREST

Committee on Public Lands: Subcommittee on Public Lands met on H. R. 868 and H. R. 1548, settlement of Alaska by war veterans; and H. R. 3395, addition of certain lands to Modoc National Forest (Calif.). Representative Lemke discussed the committee print on H. R. 868 and H. R. 1548. Subcommittee ordered H. R. 3395 favorably reported to the full committee.

POLLUTION

Committee on Public Works: Continued hearings on H. R. 123, H. R. 315, and H. R. 470, pollution-control bills, and heard Lois Auerbacher, Jr., counsel, Pasanic Valley Sewerage Commission; Judge Guy C. Jackson, Jr., president, Texas Water Conservation Association; Milton P. Adams, executive secretary-engineer, Michigan Stream Control Commission; Maj. Gen. Philip B. Fleming, Administrator, Federal Works Agency; G. Douglas Andrews, chief engineer, Baltimore County Metropolitan District; Richard Martin, director, State Water Commission of Connecticut; Arthur D. Weston, chief sanitary engineer, Massachusetts Department of Health; Hudson Biery, chairman, Committee on Stream Sanitation, Cincinnati, Ohio; Joseph Weimann, Director of Maintenance, Bridgeport Conn.; Hobart Wehking, County Commission, Hamilton County, Ohio; W. R. Kellogg, city manager, Cincinnati, Ohio; and Walton R. L. Taylor, Citizens Planning Association, Cincinnati, Ohio. Hearings will continue tomorrow.

UN-AMERICAN

Committee on Un-American Activities: The committee, by unanimous vote, approved the report on the Southern Conference for Human Welfare, as a communist-front organization. The report will be issued for release in the Sunday morning papers.

Upon the recommendation of the Subcommittee on Fascism, there will be instituted an all-inclusive program of investigations and hearings on this subject. Also upon the recommendation of this subcommittee, the appointment of additional staff members to assist in this investigation will be made.

The full committee approved a schedule of hearings to be held June 23, 24, 25, and 26, at which time 10 witnesses will be heard on various phases of the committee's investigations.

VETERANS

Committee on Veterans' Affairs: Subcommittee on Compensation and Pensions held hearings on various measures pertaining to statutory awards for tuberculosis and tropical diseases, and heard Representative Hedrick, sponsor of H. R. 1696; Representative Mills, sponsor of H. R. 2621; Representative Wilson, sponsor of H. R. 3418; Dr. Harry Most of New York City, medical expert on tropical diseases and consultant for the Veterans' Administration, testifying on H. R. 3650; Capt. James J. Sapero, Bureau of Medicine and Surgery, U. S. Navy, who testified on H. R. 3650; Henry T. Brooks, Assistant Director of Veterans' Claims, Veterans' Administration, who testified on all bills under consideration; Dr. Roy A. Wolford, Assistant Chief, Tuberculosis Division, Veterans' Administration, who testified on tuberculosis bills; Charles W. Stevens, American Legion, Dr. H. D. Shapiro, American Legion, and Quintus Camp, DAV, all of whom testified on all bills under consideration; and

William M. Floyd, national commander, Regular Veterans' Association, who testified on H. R. 3650.

Subcommittee on Hospitals met in executive session to consider report on H. Con. Res. 26, Schick General Hospital, Clinton, Iowa.

TAX REVISION

Committee on Ways and Means: Continued hearings on general tax revision and heard J. J. Newman, vice president, B. F. Goodrich Co., representing the tire manufacturers; A. E. Barit, president, Hudson Motor Car Co., representing the Automobile Manufacturers Association; C. Willard Max, executive vice president, Standard Generator Service Co., Inc., St. Louis, Mo.; George J. Burger, National Federation of Small Business, Inc., and Burger Tire Consultant Service, representing Independent Tire Dealers; Monte Appel, Independent Tire Exporters, Washington, D. C.; Edward M. Greene, Jr., General Time Instruments Corporation, New York, N. Y.; and George F. Parton, chairman, tax committee, New York State Safe Deposit Association, New York, N. Y., all of whom recommended modification and reduction of excise taxes. Hearings will continue tomorrow.

COMMITTEE MEETINGS FOR FRIDAY, JUNE 13

(All meetings are open unless otherwise designated)

Senate

Committee on Agriculture and Forestry on S. 1249, eradication of cattle grubs, 10 a. m., 324 Senate Office Building.

Committee on Appropriations on H. R. 3123, Interior Department appropriations bill, executive, 9:30 a. m.; subcommittee on Navy Department appropriation bill, executive, 2 p. m., both in Room 38, Capitol; subcommittee on State, Justice, Commerce appropriations bill, 11 a. m., executive, Room 39, Capitol; subcommittee on Agriculture Dept. appropriation bill, 2 p. m., Room 82, Capitol.

Committee on Banking and Currency on S. 1070, to provide for cancellation of capital stock of FDIC, 10 a. m., 301 Senate Office Building.

Committee on the District of Columbia, Judiciary Subcommittee on Calendar business, 10 a. m., Room 38 (2d floor), Capitol.

Committee on Expenditures in the Executive Departments, executive, on S. 493, information for business assistance, 10 a. m., 357 Senate Office Bldg.

Committee on Foreign Relations, subcommittee on S. J. Res. 111, St. Lawrence waterway, 9:30 a. m., 318 Senate Office Building.

Committee on Interstate and Foreign Commerce, subcommittee on S. Res. 111, travel restrictions, 10 a. m.; full committee, executive, on tanker program and air policy board bills, 10:30 a. m., both in Room 16, Capitol.

Committee on the Judiciary, Subcommittee on Immigration and Naturalization on calendar, 10:30 a. m., 424 Senate Office Building; subcommittee on extension of Second War Powers Act, 9:30 a. m., Conference Room C, Capitol.

Committee on Labor and Public Welfare, subcommittee on S. 984, antidiscrimination bill, 9:30 a. m., Room 26, Capitol.

Committee on Public Lands, National Resources Economic Subcommittee on natural resources, 10 a. m., 224 Senate Office Building.

House

Committee on Agriculture on H. R. 3330, to make available to farmers through the Federal Land Bank system loans similar to those made by the Land Bank Commissioner on behalf of the Federal Farm Mortgage Corporation, 10 a. m., 1310 New House Office Building.

Committee on Armed Services, Subcommittee on Procurement and Supply on H. R. 774, authorizing loan or gift of condemned or obsolete material of the Treasury Department to war-veteran associations, museums, 10 a. m., 313-A Old House Office Building.

Subcommittee on Posts and Stations on H. R. 3314, Navy public works bill, 10 a. m., 304 Old House Office Building.

Committee on Banking and Currency, executive session on continuation and extension of RFC, 10 a. m., 1301 New House Office Building.

Committee on the District of Columbia, Subcommittee on Health, Education, and Recreation, executive session, on pending bills, 9:30 a. m., 445 Old House Office Building.

Committee on Education and Labor, executive session on H. R. 3632, to extend the period for providing assistance to certain war-incurred school enrollments, 10 a. m., 429 Old House Office Building.

Committee on Foreign Affairs, Subcommittee on National and International Movements on H. J. Res. 161, providing for membership and participation by the United States in the World Health Organization and authorizing an appropriation therefor, 10 a. m., Foreign Affairs Committee Room, Capitol.

Committee on Interstate and Foreign Commerce, Howell Subcommittee, executive session on radio legislation, 2 p. m., 1334 New House Office Building.

DIGEST OF
CONGRESSIONAL PROCEEDINGS
OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
Division of Legislative Reports
(For Department staff only)

Issued June 20, 1947
For actions of June 19, 1947
80th-1st, No. 116

CONTENTS

A.A. Act.....	5	Lands, reclamation.....	34	Quarantine, animal.....	8
Accounting.....	15	Livestock and meat.....	6	R.F.C.....	17
Appropriations..	18, 25, 26, 32	Loans, farm.....	3, 23	Regional authority.....	29
Budgeting.....	16	Marketing.....	14	Research.....	8
Communications.....	11	Minerals.....	39	Soil conservation.....	26
Corporations.....	16, 17, 18	Monopolies.....	35	Taxation.....	22
Economy.....	19	Nomination.....	3	Tobacco.....	5, 22
Education.....	31, 33, 38	Organization, execu-		Trade, foreign.....	10, 37
Expenditures.....	16	tive.....	7, 9, 30	Transportation.....	21
Federal aid.....	38	Personnel.....	12, 13, 25	Veterans' benefits.....	12
Foreign affairs..	4, 6, 27, 31, 33, 36	Potatoes.....	24	War powers.....	10
Housing.....	2, 30	Prices.....	20	Water utilization.....	28
Information.....	25, 31, 33	Prices, support.....	1	Wool.....	1

HIGHLIGHTS: Senate agreed to conference report on wool bill. Senate received nomination of Wells to be Cooperative Bank Commissioner, FCA. Senate received USDA proposal to repeal certain minimum-allotment provisions re tobacco. Senate committee approved Lodge bill to create Commission on Organization of Executive Branch. Senate committee approved bills to continue export-control, allocations and priorities powers. Rep. Keating criticized USDA's destruction of surplus potatoes. Rep. Ellis criticized "propaganda activities", particularly in USDA, regarding appropriations.

SENATE

1. WOOL-PRICE SUPPORTS. Agreed, 48-38, to the conference report on S. 814, the wool bill (pp. 7413, 7418-33). A large portion of the debate was on the import-control provision, concerning which Sen. Barkley inserted letters from Secretary Marshall and former Secretaries Hull and Stimson, criticizing the provision (p. 7429). This bill will now be sent to the President.
2. HOUSING. Agreed to the conference report on H. R. 3203, the rent-control bill (pp. 7436-40, 7445-9). There was no discussion of the roads-to-forests item, which was not agreed to by the conferees. This bill will now be sent to the President.
3. FCA NOMINATION. Received from the President the nomination of James E. Wells, Jr., to be Cooperative Bank Commissioner of FCA (p. 7454).
4. FOREIGN RELIEF. Sen. Smith, N. J., inserted Herbert Hoover's letters on the economic situation in Europe (pp. 7413-6).
5. AAA; TOBACCO. Received from this Department a proposed bill to repeal certain minimum-allotment provisions regarding tobacco; to Agriculture and Forestry Committee (p. 7433).
6. FOOT-AND-MOUTH DISEASE. Both Houses received from this Department the 30-day report on the Mexican foot-and-mouth disease campaign; to Senate Agriculture and Forestry Committee and House Agriculture Committee (pp. 7433, 7497).
7. REORGANIZATION. The Expenditures in the Executive Departments Committee voted to report without amendment S. 164, to provide for a Commission on Organization of the Executive Branch (p. D405). The report was not actually submitted. Sen. Lodge, Mass., commended the Committee for this action (p. 7436).

8. RESEARCH. The Executive Expenditures Committee discussed, and gave final instructions for drafting a modified version of, S. 493, the technical information and services bill (p. D405).
9. INTERGOVERNMENTAL RELATIONSHIPS. The Executive Expenditures Committee selected a subcommittee (Sens. Bricker, chairman; Hickenlooper, Thye, Hoey, and O'Connor) to study this matter (p. D405).
10. WAR POWERS. The Judiciary Committee voted to report S. 1461, to extend temporarily certain powers under the 2nd War Powers Act regarding allocations and priorities, and S. 1460, to continue the Export Control Act (p. D405). The reports were not actually submitted.
11. COMMUNICATIONS. S. 816, as reported (see Digest 112) repeals the mandatory special rate for Government telegrams; and authorizes the Federal Communications Commission under the Communications Act of 1934, to prescribe charges, classifications, regulations and practices, including priorities, applicable to Government telegrams. The bill would be effective on the 10th day following the date of enactment.

HOUSE

12. PERSONNEL; VETERANS' BENEFITS. Passed as reported H.R. 1389, to amend the Veterans' Preference Act by defining the term "active duty", which is required for eligibility under the Act, as "active duty in any branch of the armed forces of the United States" shall mean active full-time duty with military pay and allowances in any branch of the armed forces during any war or in any campaign or expedition (for which a campaign badge has been authorized)" (pp. 7564-7).
Passed as reported H.R. 966, to amend sec. 14 of the Veterans' Preference Act so as to make it mandatory for an administrative officer to take corrective action recommended by CSC in the case of appeals made by preference eligibles because of discharge, suspension, demotion, etc. (pp. 7567-9).
The "Daily Digest" states that the Post Office and Civil Service Committee "ordered*favorably reported, with amendment, H.R. 1426, extending veterans' preference to widowed mothers of veterans under certain conditions" (p.D407).
* Copies of the bill and report will not be available until the bill is actually reported, when this Digest will include a statement to that effect.
13. PERSONNEL. The Post Office and Civil Service Committee reported with amendment H.R. 1995, to amend the Civil Service Retirement Act to provide for the return of the amount of deductions from the compensation of any employee who is separated from the service or transferred to a position not within the purview of such act before completing ten years of service (H.Rept. 615) (p. 7497).
The "Daily Digest" states that the bill has been amended to "make it retroactive to January 24, 1942" (p. D408).
The Post Office and Civil Service Committee reported without amendment H.R. 3813, to provide for removal from, and the prevention of appointment to, offices or positions in the executive branch of the Government of persons who are found to be disloyal to the U.S. (H.Rept. 616) (p. 7497).
14. MARKETING. In reporting H.R. 452 (see Digest 112) to amend the Agricultural Marketing Agreement Act, the Agriculture Committee struck out the provision authorizing the inclusion of additional commodities under the Act by a referendum vote of the majority of the producers of a commodity, and amended the bill so that provisions of the Act would be applicable only to the following commodities, other than milk and its products: "fruits (including pecans and walnuts but not including apples, other than apples produced in the States of

AMENDING THE CIVIL SERVICE RETIREMENT ACT OF
MAY 29, 1930, AS AMENDED

JUNE 19, 1947.—Committed to the Committee of the Whole House on the State
of the Union and ordered to be printed

Mr. SADLAK, from the Committee on Post Office and Civil Service,
submitted the following

R E P O R T

[To accompany H. R. 1995]

The Committee on Post Office and Civil Service, to whom was referred the bill (H. R. 1995) to amend the Civil Service Retirement Act of May 29, 1930, as amended, to provide for the return of the amount of deductions from the compensation of any employee who is separated from the service or transferred to a position not within the purview of such act before completing 10 years of service, having considered the same, report favorably thereon with amendments and recommend that the bill as amended, do pass.

The amendments are as follows:

(a) On page 2, line 2, before the word "service" insert the word "civilian".

(b) On page 2, line 7, strike out "the employee's" and insert "his".

(c) On page 2, line 11, before the word "service" insert the word "civilian".

(d) On page 2, line 14, strike out "the employee's" and insert "his".

(e) On page 2, line 15, insert, after the colon, the following:

Provided further, That in case any request under this subsection is submitted after the date of transfer to a position not within the purview of this Act or of absolute separation from the service, the interest allowed for the period after such date of transfer or separation shall be at the rate of 3 per centum compounded on December 31 of each year:

(f) On page 2, line 18, strike out "*Provided*" and insert "*And provided*".

(g) On page 3, line 5, after "service", insert a comma and the following: "or in the total period after the date of transfer or separation,".

(h) On page 3, add, after line 5, the following:

SEC. 2. The amendment made by the first section of this Act to section 12 (b) of such Act of May 29, 1930, as amended, shall take effect as of January 24, 1942.

EFFECT OF COMMITTEE AMENDMENTS

The purpose of committee amendments (a) and (c) is to provide that the aggregate of 10 years of service shall be computed upon the basis of civilian service alone. As originally introduced, the bill provided that in computing 10 years of service, military service plus civilian service would be the basis of such computation.

The purpose of committee amendments (b) and (d) is to perfect the language of the bill. These amendments clarify the intent of the committee that the retirement deductions shall be returned upon the request of either an officer or employee to whom the bill applies.

The purpose of committee amendment (e) is to perfect the bill so that it conforms to the Civil Service Retirement Act of May 29, 1930, as amended, to provide that interest on retirement deductions held in the retirement fund after the date of separation or after the date of transfer to a position outside the purview of the Civil Service Retirement Act shall be at the rate of 3 percent, compounded on December 31 of each year.

Committee amendment (f) is a perfecting amendment.

The purpose of committee amendment (g) is to provide that in computing interest under the bill the fractional part of the month in the period after the date of transfer or separation shall be disregarded. This is in conformity with present law.

The purpose of committee amendment (h) is to provide that the provisions of the bill shall take effect as of January 24, 1942, which was the date upon which retirement deductions were frozen in the civil-service retirement fund. In other words, if this amendment were not included, it would defeat the purpose of the bill by not allowing persons affected by this bill to withdraw retirement deductions if they were separated from the service between January 24, 1942, and the date of enactment of the proposed legislation.

STATEMENT

This bill proposes to amend section 12 (b) of the Civil Service Retirement Act of May 29, 1930, as amended, so that an officer or employee transferred to a position not within the purview of the act or separated from the service before he completes an aggregate of 10 years of service as a civilian employee of the Federal or District of Columbia Government shall have returned to him at his option and upon his request the amount of his contributions to the retirement fund, with interest at 4 percent, compounded on December 31 of each year.

The return of the so-called "tontine" in every individual case will be determined in accordance with existing law.

Any person electing to be paid the refund under the proposed legislation will forfeit rights to a future annuity benefit unless he is reemployed in a position within the terms of the Civil Service Retirement Act and redeposits the amount returned to him, with interest.

During the war many persons were employed who had no intention of remaining in the Federal service. Some of these had been in the

armed forces in World War I and later. Because of the nature of their appointments it was necessary to deduct 3½ percent or 5 percent of their salary for retirement purposes. Because such persons have now completed an aggregate of 5 or more years of combined military and civilian service, the deductions from their salaries may not be returned to them under the present law, although they will be entitled to a small annuity at some future date. This money of the employee is held in trust by the Government. A great number of these persons feel that the use of this money at this time would be of greater value to them than at some future date.

The committee believes that the large number of war-service employees who are now leaving the Government with more than 5 years but less than 10 years of service should be entitled to the refund as provided for in this bill, in order to furnish them with sufficient funds to carry them over during the time they are seeking other employment or to pay transportation costs to their home towns.

The personnel of the Federal Government is being rapidly reduced, and this will continue during the fiscal year 1948. Unemployment compensation benefits are unavailable to Government employees, and for this reason the committee believes that these refunds will be of tremendous help to those who are separated from the Federal service.

The Civil Service Commission submitted a favorable report regarding this legislation and is as follows:

UNITED STATES CIVIL SERVICE COMMISSION,
Washington 25, D. C., April 7, 1947.

HON. EDWARD H. REES,
*Chairman, Committee on Post Office and Civil Service,
House of Representatives.*

DEAR MR. REES: Further reference is made to your communication of February 21, 1947, relative to H. R. 1995, a bill to amend the Civil Service Retirement Act of May 29, 1930, as amended, to provide for the return of the amount of deductions from the compensation of any employee who is separated from the service or transferred to a position not within the purview of such act before completing 10 years of service.

This bill would amend section 12 (b) so that an officer or employee transferred to a position not within the purview of the act or who became absolutely separated from the service before he completed an aggregate of 10 years' service should have returned upon his request the amount of deductions credited to his individual account, with interest at 4 percent. If he was involuntarily separated not by removal for cause on charges of misconduct or delinquency before completing 10 years' service, the total amount of deductions, with interest at 4 percent, should be returned to him.

The act of January 24, 1942, amended section 7 of the act of May 29, 1930, by vesting title to annuity, upon attaining age 62, in an employee who voluntarily separates himself from service, or is removed for cause after serving 5 years or more. If such employee is involuntarily separated not by removal for cause on charges of misconduct or delinquency, he may receive either (a) deferred annuity at age 62, or (b) immediate annuity of equivalent actuarial value at age 55 (or at date of separation if subsequent to that age). Interest is allowed on the separated employee's individual account in the retirement fund at 3 percent, compounded annually, until beginning date of annuity.

Upon separation as indicated in the preceding paragraph, an employee may receive a refund covering deductions, deposits, and redeposits made prior to January 24, 1942, with interest, the reason for separation in each case governing whether the individual account or total deductions may be paid; any sum so refunded (except voluntary contributions, if any) must be redeposited with interest before the employee may derive any annuity benefits based on the service covered by the refund.

Any employee who becomes absolutely separated from service after serving less than 5 years, or is transferred to a position not within the act, may receive a refund of the sum credited to his individual account with interest. If such

separation is involuntary, not by removal for cause on charges of misconduct or delinquency, total deductions with interest are returnable. Any money so refunded must, upon the employee's reinstatement to a position under the act, be redeposited with interest before any title to annuity benefits may exist.

The proposed amendment makes no provision for redeposit of refunds made in case of more than 5 years of service, except upon reemployment. The payment of refund as provided by this proposal would, therefore, destroy any right to future annuity payments in a person having more than 5 years' service if such person is not later reemployed in a position within the terms of the act.

The Commission is of the belief that title to annuity should vest in persons who have rendered 5 or more years of service regardless of the cause of separation, thus providing an old-age benefit, which, together with benefits under the Social Security Act and pension or retired plans of private industry, tends to provide for the welfare of officers and employees covering their entire working career.

The return to an annuitant for the amount deducted when he reaches the age of retirement is of far greater value than the payment of refund. For example, an employee who resigns with 5 years' service would have deducted from his salary \$50 per annum for each thousand dollars of annual salary received. If his salary amounted to \$2,000 per annum, there would be credited to his individual account \$88 per annum. The remaining \$12 tontine will be credited to the retirement fund. When a person reaches the age of 62 years, he will receive as the Government's share \$30 for each year of service or \$150 per annum. There would remain to his individual credit \$440 plus whatever interest had been earned at 4 percent compounded annually, while in service. The annuity purchasable at age 62 with this amount is added to the \$150 Government share to determine the total annuity to be received.

A male's expectation of life after he has reached the age of 62 is 15 years, and a female's life expectancy is approximately $2\frac{1}{2}$ years longer. Therefore, if a person lived his full life expectancy, he would secure from the Government in annual installments \$2,250 as the Government's share of his annuity. If he lives longer than 15 years, he will receive \$150 for each year he lives beyond his life expectancy. These figures do not include the annuity payments received by reason of his own contributions. It will thus be seen that since the employee's contributions are \$500, he has an even chance at age 62 of receiving more than four times his contributions from the Government alone, not to mention the annuity that his contributions would purchase.

The Commission, however, recognizes the fact that many of the employees who leave the service through resignation or by reduction in force are still in their youth. Undoubtedly some portion of these with 5 or more years of service to their credit would prefer an immediate cash refund to a deferred annuity to become payable in the future. In practically all cases, withdrawal would be to the employee's monetary disadvantage. However, it would obviously be a savings to the Government and would reduce the Government's cost of retirement to permit the payment of refunds as proposed.

This proposal would apply only to persons separated from and after its effective date.

The Commission would make no objection to the passage of this amendment.

The Bureau of the Budget advises there is no objection to the submission of this report.

By direction of the Commission:

Very sincerely yours,

HARRY B. MITCHELL, *President*.

CHANGES IN EXISTING LAW

In compliance with paragraph 2a of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as introduced, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, existing law in which no change is proposed is shown in roman):

SECTION 12 (B) OF THE CIVIL SERVICE RETIREMENT ACT OF MAY 29, 1930, AS AMENDED

(b) In the case of any officer or employee to whom this Act applies who shall be transferred to a position not within the purview of this Act, or who shall become

absolutely separated from the service before he shall have completed an aggregate of **[five]** *ten* years of service computed in accordance with section 5 of this Act, the amount of deductions from his basic salary, pay, or compensation credited to his individual account, together with interest at 4 per centum compounded on December 31 of each **[year shall]** *year, shall, upon the employee's request*, be returned to such officer or employee: *Provided*, That when an officer or employee becomes involuntarily separated from the service, not by removal for cause on charges of misconduct or delinquency before completing **[five]** *ten* years of creditable service the total amount of deductions from his basic salary, pay, or compensation with interest at 4 per centum compounded on December 31 of each **[year shall]** *year, shall, upon the employee's request*, be returned to such officer or employee: *Provided further*, That no such interest shall be allowed on any separation unless the service covered thereby aggregates more than one year: *Provided further*, That all deductions from basic salary, pay, or compensation so returned to an officer or employee must, upon reinstatement, retransfer, or reappointment to a position coming within the purview of this Act be redeposited with interest at 4 per centum compounded on December 31 of each year before such officer or employee may derive any benefits under this Act, except as provided in this section, but interest shall not be required covering any period of separation from the service. In computing interest under this subsection, a fractional part of a month in the total service of an officer or employee shall be disregarded.

○

80TH CONGRESS
1ST SESSION

H. R. 1995

[Report No. 615]

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 17, 1947

Mr. JONES of Washington introduced the following bill; which was referred to the Committee on Post Office and Civil Service

JUNE 19, 1947

Reported with amendments, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Omit the part struck through and insert the part printed in italic]

A BILL

To amend the Civil Service Retirement Act of May 29, 1930, as amended, to provide for the return of the amount of deductions from the compensation of any employee who is separated from the service or transferred to a position not within the purview of such Act before completing ten years of service.

- 1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That section 12 (b) of the Civil Service Retirement Act
4 of May 29, 1930, as amended, is amended to read as follows:
5 “(b) In the case of any officer or employee to whom
6 this Act applies who shall be transferred to a position not
7 within the purview of this Act, or who shall become abso-

1 lutely separated from the service before he shall have com-
2 pleted an aggregate of ten years of *civilian* service computed
3 in accordance with section 5 of this Act, the amount of deduc-
4 tions from his basic salary, pay, or compensation credited
5 to his individual account, together with interest at 4 per
6 centum compounded on December 31 of each year, shall,
7 upon ~~the employee's~~ *his* request, be returned to such officer
8 or employee: *Provided*, That when an officer or employee
9 becomes involuntarily separated from the service, not by
10 removal for cause on charges of misconduct or delinquency
11 before completing ten years of creditable *civilian* service the
12 total amount of deductions from his basic salary, pay, or
13 compensation with interest at 4 per centum compounded
14 on December 31 of each year shall, upon ~~the employee's~~
15 *his* request, be returned to such officer or employee: *Provided*
16 *further, That in case any request under this subsection is*
17 *submitted after the date of transfer to a position not within the*
18 *purview of this Act or of absolute separation from the service,*
19 *the interest allowed for the period after such date of transfer or*
20 *separation shall be at the rate of 3 per centum compounded*
21 *on December 31 of each year: Provided further, That*
22 *no such interest shall be allowed on any separation un-*
23 *less the service covered thereby aggregates more than one*
24 *year: Provided And provided further, That all deduc-*
25 *tions from basic salary, pay, or compensation so returned*

1 to an officer or employee must, upon reinstatement, re-
2 transfer, or reappointment to a position coming within the
3 purview of this Act be redeposited with interest at 4 per
4 centum compounded on December 31 of each year before
5 such officer or employee may derive any benefits under
6 this Act, except as provided in this section, but interest
7 shall not be required covering any period of separation from
8 the service. In computing interest under this subsection,
9 a fractional part of a month in the total service, *or in the*
10 *total period after the date of transfer or separation*, of an
11 officer or employee shall be disregarded.”

12 *SEC. 2. The amendment made by the first section of*
13 *this Act to section 12 (b) of such Act of May 29, 1930,*
14 *as amended, shall take effect as of January 24, 1942.*

80TH CONGRESS
1ST SESSION

H. R. 1995

[Report No. 615]

A BILL

To amend the Civil Service Retirement Act of May 29, 1930, as amended, to provide for the return of the amount of deductions from the compensation of any employee who is separated from the service or transferred to a position not within the purview of such Act before completing ten years of service.

By Mr. Jones of Washington

FEBRUARY 17, 1947

Referred to the Committee on Post Office and Civil Service

JUNE 19, 1947

Reported with amendments, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

missioners of Hill County, Mont., for public-park purposes;

H. R. 2368. An act to amend paragraph 8 of part VII, Veterans Regulation No. 1 (a), as amended, to authorize an appropriation of \$3,000,000 as a revolving fund in lieu of \$1,500,000 now authorized, and for other purposes;

H. R. 2852. An act to provide for the addition of certain surplus Government lands to the Otter Creek recreational demonstration area, in the State of Kentucky;

H. R. 2872. An act to amend further section 4 of the Public Debt Act of 1941, as amended, and clarify its application, and for other purposes;

H. R. 3143. An act to authorize the construction, operation, and maintenance of the Paonia Federal reclamation project, Colorado;

H. R. 3151. An act to grant a certain water right and a certain parcel of land in Clark County, Nev., to the City of Las Vegas, Nev.;

H. R. 3197. An act to authorize the Secretary of the Interior to contract with the Mancos Water Conservancy District increasing the reimbursable construction cost obligation of the district to the United States for construction of the Mancos project and extending the repayment period;

H. R. 3348. An act to declare the policy of the United States with respect to the allocation of costs of construction of the Coachella division of the All-American Canal irrigation project, California;

H. R. 3604. An act to authorize the Methodist Home of the District of Columbia to make certain changes in its certificate of incorporation with respect to stated objects;

H. J. Res. 188. Joint resolution authorizing the erection on public grounds in the city of Washington, D. C., of a memorial to the dead of the First Infantry Division, United States Forces, World War II; and

H. J. Res. 210. Joint resolution to extend the time for the release, free of estate and gift tax, of certain powers, and for other purposes.

ADJOURNMENT

Mr. HALLECK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 9 minutes p. m.) the House adjourned until tomorrow, Friday, June 20, 1947, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

809. A communication from the President of the United States, transmitting supplemental estimates of appropriation for the fiscal year 1948 in the amount of \$1,743,000 for the Department of Labor (H. Doc. No. 331); to the Committee on Appropriations and ordered to be printed.

810. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the fiscal year 1948 in the amount of \$35,000 for the legislative branch, Library of Congress, in the form of an amendment to the budget for said fiscal year (H. Doc. No. 332); to the Committee on Appropriations and ordered to be printed.

811. A letter from the Secretary of State, transmitting a draft of a proposed joint resolution to amend the joint resolution providing for the membership of the United States in the American International Institute for the Protection of Childhood; to the Committee on Foreign Affairs.

812. A letter from the Acting Secretary of the Navy, transmitting a report of a proposed transfer of naval equipment to the Junior Midshipmen of America, Inc., of Connecticut; to the Committee on Armed Services.

813. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated December 9, 1946, submitting a report, together with accompanying papers, on a preliminary examination of Winterport Harbor, Maine, authorized by the River and Harbor Act approved on March 2, 1945; to the Committee on Public Works.

814. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated December 9, 1946, submitting a report, together with accompanying papers, on a review of reports on the intracoastal waterway from Choctawhatchee Bay to Pensacola Bay, Fla., and a preliminary examination and survey of waterway from the intracoastal waterway south across Santa Rosa Island, Fla., to a point at or near Deer Point Light, requested by a resolution of the Committee on Rivers and Harbors, House of Representatives, adopted on October 5, 1940, and also authorized by the River and Harbor Act approved on March 2, 1945; to the Committee on Public Works.

815. A letter from the Under Secretary of Agriculture, transmitting a report on the co-operation of the United States with Mexico in the control and eradication of foot-and-mouth disease; to the Committee on Agriculture.

816. A communication from the President of the United States, transmitting a copy of a report from the Secretary of State indicating a course of action which the Secretaries of State, War, Navy, and Interior have agreed should be followed with respect to the administration of Guam, Samoa, and the Pacific islands to be placed under United States trusteeship (H. Doc. No. 333); to the Committee on Public Lands and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BURKE: Committee on Merchant Marine and Fisheries. H. R. 107. A bill for the acquisition and maintenance of wildlife management and control areas in the State of California, and for other purposes; with an amendment (Rept. No. 609). Referred to the Committee of the Whole House on the State of the Union.

Mr. TOLLEFSON: Committee on Merchant Marine and Fisheries. H. R. 859. A bill to provide for the exploration, investigation, development, and maintenance of the fishing resources and development of the high seas fishing industry of the Territories and Island possessions of the United States in the tropical and subtropical Pacific Ocean and intervening seas, and for other purposes; with amendments (Rept. No. 610). Referred to the Committee of the Whole House on the State of the Union.

Mr. BRADLEY: Committee on Merchant Marine and Fisheries. H. R. 3569. A bill to authorize the construction of a chapel and a library at the United States Merchant Marine Academy at Kings Point, N. Y., and to authorize the acceptance of private contributions to assist in defraying the cost of construction thereof; with an amendment (Rept. No. 611). Referred to the Committee of the Whole House on the State of the Union.

Mr. BENNETT of Missouri: Committee on Interstate and Foreign Commerce. House Joint Resolution 211. Joint resolution consenting to an interstate oil compact to conserve oil and gas; without amendment (Rept. No. 612). Referred to the Committee of the Whole House on the State of the Union.

Mr. SPRINGER: Committee on the Judiciary. H. R. 1639. A bill to amend the Em-

ployers' Liability Act so as to limit venue in actions brought in United States district courts or in State courts under such act; with an amendment (Rept. No. 613). Referred to the Committee of the Whole House on the State of the Union.

Mr. HOFFMAN: Committee on Expenditures in the Executive Departments. S. 1316. An act to establish a procedure for facilitating the payment of certain Government checks, and for other purposes, without amendment (Rept. No. 614). Referred to the Committee of the Whole House on the State of the Union.

Mr. SADLAK: Committee on Post Office and Civil Service. H. R. 1995. A bill to amend the Civil Service Retirement Act of May 29, 1930, as amended, to provide for the return of the amount of deductions from the compensation of any employee who is separated from the service or transferred to a position not within the purview of such act before completing 10 years of service; with amendments (Rept. No. 615). Referred to the Committee of the Whole House on the State of the Union.

Mr. REES: Committee on Post Office and Civil Service. H. R. 3813. A bill to provide for removal from, and the prevention of appointment to, offices or positions in the executive branch of the Government of persons who are found to be disloyal to the United States; without amendment (Rept. No. 616). Referred to the Committee of the Whole House on the State of the Union.

Mr. REED of New York. Committee on Ways and Means. H. R. 3444. A bill to amend section 251 of the Internal Revenue Code; without amendment (Rept. No. 617). Referred to the Committee of the Whole House on the State of the Union.

CHANGE OF REFERENCE

[Omitted from the Record of June 18, 1947]

Under clause 2 of rule XXII, the Committee on Agriculture was discharged from the consideration of the bill (H. R. 2415) to amend the Farm Credit Act of 1933, as amended, and the Federal Farm Loan Act, as amended, so that after June 30, 1947, employment by production credit associations and national farm loan associations will be covered by the old-age and survivors insurance benefit provisions of the Social Security Act, and for other purposes, and the same was referred to the Committee on Ways and Means.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANDREWS of New York:

H. R. 3905. A bill to authorize the transfer of lands in the Fort Wingate Military Reserve, N. Mex., from the War Department to the Interior Department; to the Committee on Armed Services.

H. R. 3906. A bill to amend the act entitled "An act to make provision for the care and treatment of members of the National Guard, Organized Reserves, Reserve Officers' Training Corps, and citizens' military training camps who are injured or contract disease while engaged in military training, and for other purposes," approved June 15, 1936, as amended; to the Committee on Armed Services.

By Mr. DONDERO:

H. R. 3907. A bill to authorize construction of buildings for the Bureau of Old-Age and Survivors Insurance; to the Committee on Public Works.

By Mr. MORRISON:

H. R. 3908. A bill to amend the Armed Forces Leave Act of 1946 so as to require pay-

ments under section 6 of such act to be made to persons entitled thereto without requiring them to make applications for such payments; to the Committee on Armed Services.

By Mr. SCOBLECK:

H. R. 3909. A bill to provide for the advancement in grade upon appointment to regular positions of certain substitute employees in the postal service who are veterans of World War II; to the Committee on Post Office and Civil Service.

By Mr. TOWE:

H. R. 3910. A bill to amend the Armed Forces Leave Act of 1946 so as to extend the benefits thereof to certain officers discharged prior to its enactment; to the Committee on Armed Services.

By Mr. WEICHEL (by request):

H. R. 3911. A bill to continue temporary authority of the Maritime Commission until March 1, 1948; to the Committee on Merchant Marine and Fisheries.

By Mr. WOODRUFF:

H. R. 3912. A bill to amend section 2000 (a) (2) and 2000 (c) (2) of the Internal Revenue Code relating to taxes on tobacco and tobacco products; to the Committee on Ways and Means.

By Mr. GATHINGS:

H. R. 3915. A bill to increase the size of the

Arkansas-Mississippi Bridge Commission, and for other purposes; to the Committee on Public Works.

By Mr. LANLIS:

H. J. Res. 220. Joint resolution establishing a code for health and safety in bituminous coal and lignite mines of the United States the products of which regularly enter commerce or the operations of which substantially affect commerce; to the Committee on Education and Labor.

By Mr. RANKIN:

H. Res. 250. Resolution banning salacious moving pictures; to the Committee on the District of Columbia.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. COURTNEY:

H. R. 3913. A bill for the relief of Willie Ruth Chapman; to the Committee on the Judiciary.

By Mr. MORRISON:

H. R. 3914. A bill for the relief of James Leon Keaton; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

653. By Mr. ANDREWS of New York: Resolution adopted by the Buffalo Council for a Permanent Fair Employment Practice Commission, Buffalo, N. Y., urging favorable action on H. R. 2824 and S. 984, providing for a Fair Employment Practice Commission, in this session of Congress; to the Committee on Education and Labor.

654. By Mr. LYNCH: Petition of Publishers Printing Co. chapel, New York City, urging that Congress take immediate steps to amend the social-security law by reducing the retirement age from 65 to 60 and increasing monthly payments by 100 percent; to the Committee on Ways and Means.

655. By the SPEAKER: Petition of the secretary and president of the Triumvirate Friends Club, Mexico, petitioning consideration of their resolution with reference to expressing appreciation of the citizens of Cuautla for the honors paid to the Mexican people in the person of their ruler, Lic. Miguel Alemán Valdés; to the Committee on Foreign Affairs.

Andresen Subcommittee met on H. Res. 166, potato surplus, and heard S. R. Smith, Chief of Fruit and Vegetable Section, Department of Agriculture; and Representative Barden.

UNIVERSAL MILITARY TRAINING

Committee on Armed Services: Met on universal military training and heard Dr. Daniel A. Poling, editor of the Christian Herald, and Truman K. Gibson, Jr., members of the President's Advisory Commission on Universal Military Training, both of whom testified in favor of the legislation.

RECONSTRUCTION FINANCE CORPORATION

Committee on Banking and Currency: Met in executive session on H. R. 3898, extension of RFC, after which announcement was made that RFC would probably be continued until June 30, 1949, with its borrowing power curtailed to \$2,000,000,000. Meeting continues tomorrow.

D. C. CHILD DAY-CARE CENTERS

Committee on the District of Columbia: Subcommittee on Health, Education, and Recreation held hearings on H. R. 3208, child day-care centers, and heard Commissioner Guy Mason; Corporation Counsel Vernon West, who opposed the bill; Raymond F. Clapp, who had administered the program under the present law, and pointed out the necessity for screening parents using the program; Rev. Brook Moseley, director, Department of Social Relations, of the Episcopal Church, who urged that the work be continued; and Lucille Lewis, superintendent of Child Day-Care Centers, who spoke on the beginning and growth of the program.

NATIONAL SECURITY ACT OF 1947

Committee on Expenditures in the Executive Departments: Held hearings on H. R. 2319, National Security Act of 1947, and heard Rear Admiral Ellis M. Zacharias, who testified in opposition to the bill. Hearings will continue tomorrow, for further testimony from Admiral Zacharias.

HOUSE ADMINISTRATION ACTIONS

Committee on House Administration: Met in executive session and ordered favorably reported to the House the following: H. Con. Res. 39, authorizing Committee on Un-American Activities to have printed for its use additional copies of the hearing held February 6, 1947; H. Con. Res. 40, authorizing Committee on Un-American Activities to have printed for its use additional copies of House Report 209, 80th Cong.; H. Res. 186, authorizing Committee on Ways and Means to have printed for its use additional copies of the hearings held before said committee during the current session relative to reciprocal trade agreements; H. Res. 241, authorizing the printing as a House Document of "History of the Committee on the Judiciary" (prepared by Hon. Louis E. Graham); H. R. 2581, providing Members of Congress

with identification cards; S. J. Res. 89, providing for the printing and distribution of certain matter relating to congressional activities as included in the Congressional Record (making "Digest" in back of Congressional Record available for sale); and S. J. Res. 113, erecting memorial to Marine Corps dead of all wars. Committee ordered H. Res. 83, providing for the printing of the manuscript "Fascism in Action," reported without recommendation.

RAILROAD UNEMPLOYMENT INSURANCE

Committee on Interstate and Foreign Commerce: Howell Subcommittee held public hearings on H. R. 3150, Railroad Unemployment Insurance, and heard J. P. Nye, secretary-treasurer, American Shortline Railroad Association, Washington, D. C.; Dr. Julius H. Parmalee, vice president, Association of American Railroads, Washington, D. C.; and J. Carter Fort, vice president and general counsel, Association of American Railroads, Washington, D. C., all of whom testified in favor of the bill; and Lester P. Schoene, general counsel, Railway Labor Executives Association, Washington, D. C., who testified in opposition to the bill. Hearings will continue tomorrow.

The committee announced public hearings as follows: June 23 and 24, Hall Subcommittee on H. R. 2972 and 2973, to amend the Federal Power Act; June 25 and 26, full committee on H. R. 221 (Bulwinkle bill), and S. 110, agreements between carriers.

DEPORTATION

Committee on the Judiciary: Met in executive session and ordered favorably reported to the House H. R. 3566, with amendment, giving the Attorney General discretion to suspend deportation in the case of certain categories of aliens; and also five private immigration bills.

WILDLIFE

Committee on Merchant Marine and Fisheries: Subcommittee on Conservation of Wildlife Resources held hearings on H. R. 3487 and H. R. 3578, relating to the Parker River Wildlife Refuge in Massachusetts and heard Malcolm Fryer; Senator Philip K. Allen; Senator Joseph S. Virostek; Representative Earl Crockett; David J. Coddair, Assistant Attorney General; Brainard C. Wallace, selectman; Arthur D. Weston; Silas Little, selectman; Joseph B. Rolfe; William Hayes, attorney; Lisenard P. Phister, attorney; Percy Lovell; Dr. Storer P. Humphreys; George Papas; Mrs. Augustus J. Barton; Mrs. Florence Bushee; Mrs. Gertrude Lovell; and Joseph D. Hagar, all of Massachusetts. Hearings will continue tomorrow.

VETERANS' PREFERENCE

Committee on Post Office and Civil Service: Met in executive session and ordered favorably reported, with amendment, H. R. 1426, extending veterans' preference to widowed mothers of veterans under certain condi-

tions; H. J. Res. 156, stamp commemorating U. S. ship *Constitution*; and H. R. 1995, to amend the Civil Service Retirement Act of May 29, 1930, as amended, to provide for the return of the amount of deductions from the compensation of any employee who is separated from the service or transferred to a position not within the purview of such act before completing 10 years of service. The latter bill was ordered reported on June 12, but subsequently recalled and further amended to make it retroactive to January 24, 1942.

INDIANS

Committee on Public Lands: Subcommittee on Indian Affairs held hearings on various Indian bills and heard Representative Schwabe; and Harry M. Critchfield and John H. Provinse, Office of Indian Affairs. H. R. 3322, rights-of-way through Osage Indian land; and H. R. 3323, Osage Indians to determine value of tract offered for lease for oil, gas, and other mining purposes, were ordered favorably reported to the full committee. Hearings on various Indian bills will continue tomorrow.

HYDROELECTRIC POWER—POST ROADS

Committee on Public Works: Subcommittee on Roads met in executive session and ordered favorably reported to the full committee H. R. 3759, Federal aid to States in the construction of rural post roads.

Full committee continued hearings on H. R. 3036, transferring from Interior Department to War Department facilities for transmitting electric power from reservoir project under War Department control, and heard Donald G. Wright, Administrator, Southwestern Power Administration; Arthur Garton, chairman, Columbia Basin Commission; Donald Damon, Columbia Basin Commission; and Thomas D. Welborn, Columbia Basin Commission, Brewster, Wash., all of whom testified in opposition to the bill. Hearings will continue tomorrow.

VETERANS

Committee on Rules: Heard Representative O'Konski of the Committee on Veterans' Affairs in favor of a resolution providing consideration of H. R. 3516, a bill to

increase rate of service pension for veterans of the Spanish-American War and the Civil War and their dependents. No action was taken on the resolution.

Heard Representative Mathews, of the Committee on Veterans' Affairs in favor of a rule providing consideration of H. R. 3583, a bill to authorize payments by the Administrator of Veterans' Affairs on the purchase of automobiles or other conveyances by certain disabled veterans. No action was taken on the resolution.

VETERANS

Committee on Veterans' Affairs: Met in executive session and ordered favorably reported H. R. 3888, increasing subsistence allowances for veterans attending schools.

Subcommittee on Compensation and Pensions met in open session on bills for statutory award for tuberculosis and income limitations, and heard T. O. Kraabel, director of rehabilitation, American Legion; John C. Williamson, assistant legislative director, VFW; Robert E. McLaughlin, legislative director, AMVETS; Francis M. Sullivan, legislative director, DAV; Quintus Camp, DAV; Willis Howard, assistant director of claims, Veterans' Administration; and Edward Reinmuth, Veterans' Administration.

TAX REVISION—SOCIAL SECURITY

Committee on Ways and Means: Continued hearings on general tax revision, with special reference to community property and family partnerships, and heard Representative Reeves on behalf of his bill, H. R. 1759; Murray M. Flack, Federal tax attorney, Pittsburgh, Pa., representing the National Association of State Chambers of Commerce, and Richard E. Steinbrecher, Chicago, Ill., both of whom discussed problems of taxation of community property; J. Walter Becker, Sycamore, Ill., who testified on problems of taxation of family partnerships. Hearings will continue tomorrow.

Subcommittee on Social Security met in executive session and voted to report favorably to the full committee H. R. 3704, exempting newspaper vendors from social-security coverage.

REPORT ON JOINT COMMITTEE MEETINGS

Conferees on H. R. 2436, Treasury-Post Office appropriations bill, held fifth meeting, but failed to reach agreement.

D. C. Subcommittees of the House and Senate Appropriation Committees held joint executive meeting on D. C. funds.

COMMITTEE MEETINGS FOR FRIDAY, JUNE 20

(All meetings are open unless otherwise designated.)

Senate

Committee on Agriculture and Forestry on S. 1326, Federal crop insurance, 10 a. m., 324 Senate Office Building.

Committee on Appropriations on H. R. 3791, 2d urgent deficiency bill, executive, 11:30 a. m., Room 38, Capitol; subcommittee on H. R. 3601, Agriculture Department appropriation

DIGEST OF CONGRESSIONAL PROCEEDINGS OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
Division of Legislative Reports
(For Department staff only)

Issued July 8, 1947
For actions of July 7, 1947
80th-1st, No. 128

CONTENTS

Accounting.....7,15	Health.....24,41	Purchasing.....33
Appropriations...20,40,50,52	Housing.....17,28,49	R.F.C.....51
Assistant secretary.....8	Information.....34,45	Regional authority.....47
Buildings and grounds....4	Lands.....11,18,25,44	Remount service.....30
Claims.....13,31	Lands, reclamation....26,43	Research.....9,37
Communications.....12	Machinery, farm.....39	Roads.....29
Corporations.....15,16,22	Marketing.....18	Social security.....35
Cost of living.....42	Minerals.....18	Soil conservation.....40
Education.....34,45	Organization, executive,21,52	Sugar.....1
Electrification.....48	Patents.....19	Taxation.....3
Fisheries.....18	Personnel.....6,32	Termination of war.....14
Flood control.....5,23,46	Potatoes.....38	Transportation.....27
Foreign affairs.....24,33,45	Prices, support.....38	War powers.....2,14,32
Forests & forestry.10,18,31	Property, surplus.....23,30	Water utilization.....36

HIGHLIGHTS: House Rules Committee cleared sugar bill. President approved bill to create Commission on Organization of Executive Branch; Senate appointments made to Commission. House passed bill to facilitate authorization for USDA flood-control surveys. Rep. Ellis criticized potato destruction and farm-machinery exports.

HOUSE

1. SUGAR. The Rules Committee reported a resolution for consideration of, and waiving points of order on, H. R. 4075, the sugar bill (p. 8561). The bill is to be debated Thurs.

This bill provides as follows: Reenacts the Sugar Act of 1937 with changes; extends the termination date from Dec. 31, 1947, to Dec. 31, 1952, and extends the sugar tax to July 1, 1953. Changes the method of estimating each year the quantity of sugar needed to meet consumer requirements in continental U. S. Establishes quotas for domestic areas in specific amounts and, after apportionment of a quota of 952,000 short tons to the Philippines, apportions the remainder of the consumption estimate to foreign countries. Guarantees Cuba a minimum quota, after reallocation of deficits, equivalent to the share provided for Cuba in the Act. Authorizes the Secretary to withhold or withdraw any quota increase for any foreign country over that provided for such country under the Act if such country denies fair and equitable treatment to U. S. nationals and business. Provides for allocation of any Philippine deficit to Cuba (95%) and full-duty countries. Provides that, if the Cuban quota after reallocation of deficits falls below 28.6%, except for the provisions mentioned above, the proportion to full-duty countries would be 1.36% instead of 5% and that the Cuban quota be increased accordingly. Requires establishment of quotas for the calendar year 1948 within the first 10 days of that year. Provides that the direct consumption portion of the quotas shall not be subject to suspension unless the President finds that emergency exists. Deletes certain conditions for sugar payments regarding fair wages, soil-conservation requirements, and fair prices.

Provides for a refund on inventories of manufactured sugar on hand at the time of tax termination. Also contains a number of technical and clarifying amendments to the Sugar Act.

2. WAR POWERS. Reps. Michener, Springer, and Cravens were appointed conferees on H. R. 3647, to continue certain export-control, allocation, and priorities powers (p. 8497). Senate conferees were appointed July 3. For House and Senate versions, see Digest 123.
3. TAXATION. The Rules Committee reported a resolution for consideration of H. R. 3950, the tax-reduction bill, which is the same as the vetoed bill except that the effective date is changed to Jan. 1, 1948 (p. 8497).
4. PROPERTY PROTECTION. Passed without amendment H. R. 3219, which authorizes FWA to appoint special policemen for duty on Federal property under FWA jurisdiction and, upon application of a department or agency, to protect buildings and other property under such department or agency (p. 8500).
5. FLOOD CONTROL. Passed without amendment H. R. 3146, to authorize this Department to make flood-control examinations and surveys of watersheds concerning which the War Department is authorized to make such surveys regarding waterways, and to authorize this Department to make supplemental flood control reports when requested by either Public Works Committee (p. 8500).
6. CIVIL-SERVICE RETIREMENT. Passed as reported H. R. 1995, to provide for the return of the amount of deductions from the pay of any employee who is separated from Government service or transferred to a position not within the purview of the Retirement Act before completing 10 years of service (pp. 8502-3).
7. ACCOUNTING. Passed without amendment S. 1316, which provides for establishment of a special deposit account or accounts with the U. S. Treasurer to facilitate payments of Government checks no longer immediately negotiable because of age, and amends Sec. 21 of the Permanent Appropriation Repeal Act of 1934 to provide for payment of these checks for 10 years after date of issue in lieu of settlement of GAO from outstanding liabilities (p. 8503). This bill will now be sent to the President.
8. ASSISTANT SECRETARY OF COMMERCE. Passed without amendment S. 1421, to provide for an additional Assistant Secretary of Commerce (p. 8505). This bill will now be sent to the President.
9. SYNTHETIC FUEL. After discussion, passed over H. R. 2161, which authorizes an increase of \$30,000,000 in appropriations and extends the time of operation for 3 years of demonstration plants to produce synthetic liquid fuels from agricultural and forestry products, etc. (pp. 8513-4).
10. FOREST. Passed as reported H. R. 3395, to add certain lands to the Modoc National Forest, Calif. (pp. 8516-7).
11. SUBMARGINAL LANDS. Passed as reported H. R. 3153, to provide for sale of certain submarginal lands in Indian reservations in Mont., N. Dak., and S. Dak., with provisions for certain SCS assistance (pp. 8517-8).
12. COMMUNICATIONS. Passed without amendment S. 816, which repeals the mandatory special rate for Government telegrams and authorizes FCC to prescribe charges, classifications, regulations, etc., for Government telegrams (p. 8519). This

livered by Government-owned motor vehicles.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BUCK. Mr. Speaker, reserving the right to object, this bill involves a considerable cost. It is opposed by the Department, and I, therefore, object to the bill.

TRANSFERRING PANAMA RAILROAD PENSION FUND

The Clerk called the bill (H. R. 3513) to transfer the Panama Railroad pension fund to the civil service retirement and disability fund.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That beginning July 1, 1947, all officers and employees of the Panama Railroad Company not employed on the Isthmus of Panama and not within the operation of section 91 through section 107 of title 2 of the Canal Zone Code shall be included within the terms of the Civil Service Retirement Act of May 29, 1930, as amended, unless excluded by Executive orders issued under the authority of said act.

SEC. 2. The Panama Railroad Company shall cause to be transferred to the Secretary of the Treasury for credit to the civil service retirement and disability fund an amount equal to the gross assets of the Panama Railroad pension fund at the close of business on June 30, 1947, subject to the assumption of the liabilities of that fund as of the close of business on June 30, 1947, by the civil service retirement and disability fund.

SEC. 3. Under such regulations as the Civil Service Commission may prescribe, an individual account shall be established for each officer and employer who is a member of the Panama Railroad pension fund as of June 30, 1947, and to whom this act applies, to which shall be credited the amount of contribution which he would have made, had he, while employed by the Panama Railroad Company prior to July 1, 1947, been within the purview of the Civil Service Retirement Act of May 29, 1930, as amended, with interest thereon, and credit shall be allowed for the purposes of said act for the period of service covered by said contributions.

SEC. 4. No credit under section 3 of this act shall be allowed under the Civil Service Retirement Act to any officer or employee to whom this act applies for service rendered the Panama Railroad Company prior to July 1, 1947, unless and until the amount of any refund of contributions to any such officer or employee out of the Panama Railroad pension fund has been redeposited with interest in the civil service retirement and disability fund.

SEC. 5. In the case of those officers and employees of the Panama Railroad Company who before July 1, 1947, shall have been retired under the provisions of the Panama Railroad pension plan, the annuity shall be paid out of the civil service retirement and disability fund, but this act shall not be so construed as to reduce or increase the annuity in any such case, and all rights and benefits of such persons shall otherwise continue as though this act had not been enacted.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

INCREASING COAST GUARD AVIATION STATIONS

The Clerk called the bill (H. R. 72) to increase the number of authorized aviation stations operated by the Coast Guard, and for other purposes.

Mr. BUCK. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

CONSTRUCTION OF A CHAPEL AT COAST GUARD ACADEMY

The Clerk called the bill (H. R. 3539) to authorize the construction of a chapel at the Coast Guard Academy, and to authorize the acceptance of private contributions to assist in defraying the cost of construction thereof.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Coast Guard is authorized to construct a suitable chapel for religious worship by any denomination, sect, or religion at the Coast Guard Academy in New London, Conn.

SEC. 2. The Coast Guard is authorized to acquire an appropriate site adjoining the present Coast Guard Academy reservation either by purchase, condemnation, gift, or otherwise.

SEC. 3. The Coast Guard is authorized to accept private contributions to assist in defraying the cost of construction of the chapel provided for herein. Such contributions shall be received and accounted for under such regulations as the Secretary of the Treasury may prescribe.

SEC. 4. There are authorized to be appropriated such sums as may be necessary to complete the purposes of this act.

With the following committee amendment:

Page 1, line 7, after the word "acquired", insert "title to."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONVERSION OF CERTAIN NAVAL VESSELS

The Clerk called the bill (H. R. 3315) to authorize conversions of certain naval vessels.

Mr. KEAN. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

Mr. HESS. Mr. Speaker, I reserve the right to object.

Mr. KEAN. I will say to the gentleman why I am doing this, because it would cost \$55,000,000 over a period of 4 years, and though I think it is a very meritorious bill, we just cannot let a bill that is going to cost so much go through by unanimous consent.

Mr. HESS. The funds have already been appropriated and they are now in the construction of ship funds. It will merely mean the transfer of those funds to another fund to convert these vessels. There is no additional appropriation required at all.

Mr. KEAN. I do not see anything about that in the report.

Mr. HESS. That was testified to by Admiral Mills at the hearing.

Mr. KEAN. I will have to insist and ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

INTERSTATE OIL COMPACT TO CONSERVE OIL AND GAS

The Clerk called the joint resolution (H. J. Res. 211) consenting to an interstate oil compact to conserve oil and gas.

The SPEAKER. Is there objection to the present consideration of the joint resolution?

There was no objection.

Mr. CUNNINGHAM. Mr. Speaker, I ask unanimous consent that a similar Senate joint resolution (S. J. Res. 122) be considered in lieu of the House bill.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There being no objection, the Clerk read the Senate joint resolution, as follows:

Resolved, etc., That the consent of Congress is hereby given to an extension and renewal for a period of 4 years from September 1, 1947, of the Interstate Compact to Conserve Oil and Gas, executed in the city of Dallas, Tex., the 16th day of February 1935, by the representatives of Oklahoma, Texas, California, and New Mexico, and thereafter recommended for ratification by the representatives of the States of Arkansas, Colorado, Illinois, Kansas, and Michigan, and subsequently ratified by the States of New Mexico, Kansas, Oklahoma, Illinois, Colorado, and Texas, which said compact was deposited in the Department of State of the United States, and thereafter such compact was, by the President, presented to the Congress and the Congress gave consent to such compact by House Joint Resolution 407, approved August 27, 1935 (Public Resolution No. 64, 74th Cong.), and which said compact was thereafter extended and renewed for a period of 2 years from September 1, 1937, by an agreement executed in New Orleans, La., the 10th day of May 1937, by the representatives of the States of Oklahoma, Texas, Kansas, and New Mexico, and was duly ratified by the States of Oklahoma, Texas, Kansas, New Mexico, Illinois, and Colorado, and was deposited in the Department of State of the United States, and thereafter such extended and renewed compact was, by the President, presented to the Congress and the Congress gave consent to such extended and renewed compact by Senate Joint Resolution 183, approved August 10, 1937 (Public Resolution No. 57, 75th Cong.), and which said compact was thereafter extended and renewed for a period of 2 years from September 1, 1939, by an agreement duly executed and ratified by the States of Oklahoma, Texas, Kansas, Colorado, New Mexico, and Michigan, and was deposited in the Department of State of the United States, thereafter such extended and renewed compact was, by the President, presented to the Congress and the Congress gave consent to such extended and renewed compact by House Joint Resolution 329, approved July 20, 1939 (Public Resolution No. 31, 76th Cong.), and which said compact was thereafter extended and renewed for a period of 2 years from September 1, 1941, by an agreement duly executed and ratified by the States of Texas, Oklahoma, Kansas, Colorado, New Mexico, Illinois, Michigan, Arkansas, Louisiana, New York, and Pennsylvania, and was deposited in the Department of State of the United States, and thereafter such extended and renewed compact was, by the President, presented to Congress and the Congress gave consent to such extended and renewed compact by House Joint Resolution 228, approved August 21, 1941 (Public Law 246, 77th Cong.), and which compact was thereafter extended and renewed for a period of 4 years from September 1, 1943, by an agreement executed and ratified by representatives of the States of Kansas, Oklahoma, Texas, Colorado, New Mexico, Arkansas, Louisiana, and Kentucky, and was deposited in the Department of State of the United States and thereafter

such extended and renewed compact was, by the President of the United States, presented to Congress and the Congress gave consent to such extended and renewed compact by House Joint Resolution 139, approved July 7, 1943 (Public Law 117, 78th Cong.), and thereafter the representatives of the States of Montana, West Virginia, Alabama, Illinois, Michigan, New York, Pennsylvania, Ohio, Florida, Tennessee, and Indiana, executed counterparts of said agreement, and said counterparts so executed were deposited in the Department of State of the United States. The extended and renewed compact dated the 1st day of February 1947, duly executed by the representatives of the States of Alabama, Arkansas, Colorado, Florida, Kansas, Louisiana, Montana, New Mexico, New York, Ohio, Oklahoma, Pennsylvania, Texas, West Virginia, Tennessee, and Indiana, and which extended and renewed compact has been deposited in the Department of State of the United States, reads as follows:

"AN AGREEMENT TO EXTEND THE INTERSTATE COMPACT TO CONSERVE OIL AND GAS"

"Whereas on the 16th day of February 1935, in the city of Dallas, Tex., there was executed 'An interstate compact to conserve oil and gas' which was thereafter formally ratified and approved by the States of Oklahoma, Texas, New Mexico, Illinois, Colorado, and Kansas, the original of which is now on deposit with the Department of State of the United States, a true copy of which follows:

"AN INTERSTATE COMPACT TO CONSERVE OIL AND GAS"

"ARTICLE I"

"This agreement may become effective within any compacting State at any time as prescribed by that State, and shall become effective within those States, ratifying it whenever any three of the States of Texas, Oklahoma, California, Kansas, and New Mexico have ratified and Congress has given its consent. Any oil-producing State may become a party hereto as hereinafter provided.

"ARTICLE II"

"The purpose of this compact is to conserve oil and gas by the prevention of physical waste thereof from any cause.

"ARTICLE III"

"Each State bound hereby agrees that within a reasonable time it will enact laws, or if laws have been enacted, then it agrees to continue the same in force, to accomplish within reasonable limits the prevention of:

"(a) The operation of any oil well with an inefficient gas-oil ratio.

"(b) The drowning with water of any stratum capable of producing oil or gas, or both oil and gas, in paying quantities.

"(c) The avoidable escape into the open air or the wasteful burning of gas from a natural gas well.

"(d) The creation of unnecessary fire hazards.

"(e) The drilling, equipping, locating, spacing, or operating of a well or wells so as to bring about physical waste of oil or gas or loss in the ultimate recovery thereof.

"(f) The inefficient, excessive or improper use of the reservoir energy in producing any well.

"The enumeration of the foregoing subjects shall not limit the scope of the authority of any State.

"ARTICLE IV"

"Each State bound hereby agrees that it will, within a reasonable time, enact statutes, or if such statutes have been enacted then that it will continue the same in force, providing in effect that oil produced in violation of its valid oil and/or gas conservation statutes or any valid rule, order, or regulation promulgated thereunder, shall be denied access to commerce; and providing for stringent penalties for the waste of either oil or gas.

"ARTICLE V"

"It is not the purpose of this compact to authorize the States joining herein to limit the production of oil or gas for the purpose of stabilizing or fixing the price thereof, or create or perpetuate monopoly, or to promote regimentation, but is limited to the purpose of conserving oil and gas and preventing the avoidable waste thereof within reasonable limitations.

"ARTICLE VI"

"Each State joining herein shall appoint one representative to a commission hereby constituted and designated as the Interstate Oil Compact Commission, the duty of which said commission shall be to make inquiry and ascertain from time to time such methods, practices, circumstances, and conditions as may be disclosed for bringing about conservation and the prevention of physical waste of oil and gas, and at such intervals as said commission deems beneficial it shall report its findings and recommendations to the several States for adoption or rejection.

"The Commission shall have power to recommend the coordination of the exercise of the police powers of the several States within their several jurisdictions to promote the maximum ultimate recovery from the petroleum reserves of said States, and to recommend measures for the maximum ultimate recovery of oil and gas. Said Commission shall organize and adopt suitable rules and regulations for the conduct of its business.

"No action shall be taken by the Commission except: (1) By the affirmative votes of the majority of the whole number of the compacting States represented at any meeting, and (2) by a concurring vote of a majority in interest of the compacting States at said meeting, such interest to be determined as follows: Such vote of each State shall be in the decimal proportion fixed by the ratio of its daily average production of the compacting States during said period.

"ARTICLE VII"

"No State by joining herein shall become financially obligated to any other State, nor shall the breach of the terms hereof by any State subject such State to financial responsibility to the other States joining herein.

"ARTICLE VIII"

"This compact shall expire September 1, 1937. But any State joining herein may, upon 60 days notice, withdraw herefrom.

"The representatives of the signatory States have signed this agreement in a single original which shall be deposited in the archives of the Department of State of the United States, and a duly certified copy shall be forwarded to the governor of each of the signatory States.

"This compact shall become effective when ratified and approved as provided in article I. Any oil-producing State may become a party hereto by affixing its signature to a counterpart to be similarly deposited, certified, and ratified.

"Whereas the said Interstate Compact to Conserve Oil and Gas has heretofore been duly renewed and extended with the consent of Congress to September 1, 1947; and

"Whereas it is desired to renew and extend the said Interstate Compact to Conserve Oil and Gas for a period of 4 years from September 1, 1947, to September 1, 1951:

"Now, therefore, this writing witnesseth: It is hereby agreed that the compact entitled 'An Interstate Compact to Conserve Oil and Gas,' executed in the city of Dallas, Tex., on the 16th day of February 1935 and now on deposit with the Department of State of the United States, a correct copy of which appears above, be, and the same hereby is, extended for a period of 4 years from September 1, 1947, its present date of expiration. This agreement shall become effective when executed, ratified, and approved as provided in article I of the original compact.

"The signatory States have executed this agreement in a single original which shall be deposited in the archives of the Department of State of the United States and a duly certified copy thereof shall be forwarded to the governor of each of the signatory States. Any oil-producing State may become a party hereto by executing a counterpart of this agreement to be similarly deposited, certified, and ratified.

"Executed as of the 1st day of February 1947 by the several undersigned States, at their several capitols, through their proper officials as duly authorized by statutes and resolutions, subject to the limitations and qualifications of the acts of the respective State legislatures."

SEC. 2. The right to alter, amend, or repeal the provisions of section 1 is hereby expressly reserved.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House joint resolution (H. J. Res. 211) was laid on the table.

AMENDING CIVIL SERVICE RETIREMENT ACT OF 1930

The Clerk called the bill (H. R. 1995) to amend the Civil Service Retirement Act of May 29, 1930, as amended, to provide for the return of the amount of deductions from the compensation of any employee who is separated from the service or transferred to a position not within the purview of such act before completing 10 years of service.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 12 (b) of the Civil Service Retirement Act of May 29, 1930, as amended, is amended to read as follows:

"(b) In the case of any officer or employee to whom this act applies who shall be transferred to a position not within the purview of this act, or who shall become absolutely separated from the service before he shall have completed an aggregate of 10 years of service computed in accordance with section 5 of this act, the amount of deductions from his basic salary, pay, or compensation credited to his individual account, together with interest at 4 percent compounded on December 31 of each year, shall, upon the employee's request, be returned to such officer or employee: *Provided*, That when an officer or employee becomes involuntarily separated from the service, not by removal for cause on charges of misconduct or delinquency before completing 10 years of creditable service the total amount of deductions from his basic salary, pay, or compensation with interest at 4 percent compounded on December 31 of each year shall, upon the employee's request, be returned to such officer or employee: *Provided further*, That no such interest shall be allowed on any separation unless the service covered thereby aggregates more than 1 year: *Provided*, That all deductions from basic salary, pay, or compensation so returned to an officer or employee must, upon reinstatement, retransfer, or reappointment to a position coming within the purview of this act be redeposited with interest at 4 percent compounded on December 31 of each year before such officer or employee may derive any benefits under this act, except as provided in this section, but interest shall not be required covering any period of separation from the service. In computing interest under this subsection, a fractional part of a month in the total service of an officer or employee shall be disregarded."

With the following committee amendments:

On page 2, line 2, before the word "service" insert the word "civilian."

On page 2, line 7, strike out "the employee's" and insert "his."

On page 2, line 11, before the word "service" insert the word "civilian."

On page 2, line 14, strike out "the employee's" and insert "his."

On page 2, line 15, insert, after the colon, the following: "Provided further, That in case any request under this subsection is submitted after the date of transfer to a position not within the purview of this act or of absolute separation from the service, the interest allowed for the period after such date of transfer or separation shall be at the rate of 3 percent compounded on December 31 of each year."

On page 2, line 18, strike out "Provided" and insert "And provided."

On page 3, line 5, after "service," insert a comma and the following: "or in the total period after the date of transfer or separation."

On page 3, add, after line 5, the following: "SEC. 2. The amendment made by the first section of this act to section 12 (b) of such act of May 29, 1930, as amended, shall take effect as of January 24, 1942."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BUREAU OF THE CENSUS

The Clerk called the bill (H. R. 1821) to provide for the collection and publication of statistical information by the Bureau of the Census.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BUCK. I object, Mr. Speaker.

FACILITATING PAYMENT OF CERTAIN GOVERNMENT CHECKS

The Clerk called the bill (S. 1316) to establish a procedure for facilitating the payment of certain Government checks, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, with the exception of checks issued on account of public-debt obligations and transactions regarding the administration of banking and currency laws, the amounts of all original and substitute checks drawn on the Treasurer of the United States, including those drawn by wholly owned and mixed-ownership Government corporations, or drawn by authorized officers of the United States on designated depositaries, which have not been paid prior to the close of the fiscal year next following the fiscal year in which the checks were issued, shall be transferred from the account of the drawer or the account then available for the payment thereof to a special-deposit account or accounts on the books of the Treasurer of the United States.

(b) With the exception of checks issued on account of public-debt obligations and transactions regarding the administration of banking and currency laws, any original or any substitute checks heretofore or hereafter drawn on the Treasurer of the United States, including those drawn by wholly owned and mixed-ownership Government corporations, or drawn by authorized officers of the United States on designated depositaries which have not been paid prior to the close of the fiscal year next following the fiscal year in which the checks were issued and checks issued in

payment of claims settled by the General Accounting Office on account of any of such checks shall be payable from the special-deposit account or accounts established pursuant to this section: *Provided*, That in the following classes of cases any original or substitute check shall be payable from the special-deposit account or accounts only after settlement by the General Accounting Office: (1) Where the check is drawn on a designated depositary, (2) where the owner or holder of the check has died or is incompetent, (3) where on presentation of the check for payment the Treasurer of the United States is on notice of a doubtful question of law or fact, and (4) where the check is over 10 years old: *And provided further*, That the limitation imposed in respect to certain claims or demands against the United States by the act of October 9, 1940 (54 Stat. 1061; U. S. C., title 31, secs. 71a, 237), shall not be deemed to apply to original or substitute checks heretofore or hereafter drawn on the Treasurer of the United States, including those drawn by wholly owned and mixed-ownership Government corporations, or drawn by authorized officers of the United States on designated depositaries, but nothing contained in this act shall be deemed to affect the limitation imposed in respect to claims on account of certain checks by section 2 of the act of June 22, 1926 (44 Stat. 761; U. S. C., title 31, sec. 122).

SEC. 2. The balances deposited to the credit of the outstanding-liabilities account of any fiscal year pursuant to section 21 of the Permanent Appropriation Repeal Act, 1934 (48 Stat. 1235; U. S. C., title 31, sec. 725t), and which have not been covered into the surplus fund of the Treasury shall be transferred to the foregoing special-deposit account or accounts and together with the amounts transferred thereto under the provisions of section 1 shall be available to pay any check payable from such account or accounts.

SEC. 3. The Secretary of the Treasury is hereby authorized to take such action as may be necessary to transfer at appropriate intervals from the foregoing special-deposit account or accounts to the appropriate receipt account or accounts on the books of the Treasury any amounts not required to effect the purposes of this act and with the concurrence of the Comptroller General to make such rules and regulations as he may deem necessary or proper for the administration of the provisions of this act.

SEC. 4. (a) Sections 306, 307, 308, 309, and 310 of the Revised Statutes of the United States, as amended (U. S. C., title 31, secs. 149, 150, 151, 152, 153), and section 21 of the Permanent Appropriation Repeal Act, 1934 (48 Stat. 1235; U. S. C., title 31, sec. 725t), are hereby repealed.

(b) Section 5 of the act of July 1, 1916, as amended (U. S. C., title 31, sec. 154), is hereby amended to read as follows:

"At the termination of each fiscal year the General Accounting Office shall report to the Secretary of the Treasury all checks issued by any disbursing officer of the Government or its wholly owned or mixed-ownership corporations, as shown by his accounts rendered to the General Accounting Office, or otherwise, which shall then have been outstanding and unpaid for one full fiscal year after the fiscal year in which issued, stating in such report the date, number, and amount of each check, and the symbol on which it was drawn."

(c) Subsection (a) of section 3646 of the Revised Statutes of the United States, as amended (U. S. C., 1940 edition, Supp. V, title 31, sec. 528 (a)) is further amended by deleting the phrase "before the close of the fiscal year following the fiscal year in which the original check was issued" and inserting in lieu thereof the phrase "prior to the expiration of 10 years from the date

on which the original check was issued" and by inserting immediately following the phrase "from the account of the drawer" the phrase "or the account available for payment of the original check."

(d) Subsections (c) and (e) of section 3646 of the Revised Statutes of the United States, as amended (U. S. C., 1940 edition, Supp. V, title 31, secs. 528 (c) and (e)), are, respectively, further amended by deleting the phrase "before the close of the fiscal year following the fiscal year in which the original check was issued" and inserting in lieu thereof the phrase "prior to the expiration of 10 years from the date on which the original check was issued."

(e) Subsection (f) of section 3646 of the Revised Statutes of the United States, as amended (U. S. C., 1940 ed. Supp. V, title 31, sec. 528 (f)) is further amended to read as follows:

"(f) Substitutes issued under this section drawn on the Treasurer of the United States, except those for checks issued on account of public-debt obligations and transactions regarding the administration of banking and currency laws, shall be deemed to be original checks and shall be payable under the same conditions as original checks. Substitutes for checks issued on account of public-debt obligations and transactions regarding the administration of banking and currency laws shall be payable directly by the Treasurer of the United States without limitation of time."

(f) Subsection (g) of section 3646 of the Revised Statutes of the United States, as amended (U. S. C., 1940 ed., Supp. V, title 31, sec. 528 (g)) is further amended by deleting the phrase "by any corporation or other entity" and inserting in lieu thereof "by any wholly owned or mixed-ownership Government corporation or by any entity."

SEC. 5. This act shall take effect on July 1, 1947.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING LEASES OF PROPERTY BY WAR AND NAVY DEPARTMENTS

The Clerk called the bill (H. R. 3471) to authorize leases of real or personal property by the War and Navy Departments, and for other purposes.

Mr. BUCK. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is their objection to the request of the gentleman from New York?

There was no objection.

AMENDMENT OF VINSON-TRAMMELL ACT

The Clerk called the bill (H. R. 3051) to amend the act of July 19, 1940 (54 Stat. 780; 34 U. S. C. 495a) and to amend section 2 and repeal the profit-limitation and certain other limiting provisions of the act of March 27, 1934 (48 Stat. 503; 34 U. S. C. 495), as amended, relating to the construction of vessels and aircraft, known as the Vinson-Trammell Act, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. CARROLL. Reserving the right to object, Mr. Speaker, I should like to ask the chairman of the committee several questions on this bill.

Mr. ANDREWS of New York. I yield to the ranking member of the subcommittee, the gentleman from Texas [Mr. KILDAY].

Mr. CARROLL. The previous legislation provided that the profit could not exceed 10 percent. Is that determined by the committee to be inadequate for the contracts for building naval vessels?

Mr. KILDAY. This would serve to amend the existing Vinson-Trammell Act. That provided a ceiling limitation on profits on naval vessels and also on aircraft construction. But not on any other industry. It has been found to be impractical. Specifically, it has not been regarded as providing an inadequate profit but it has served to operate as a minimum, as such things generally do. When you have provided that the maximum profit shall be 10 percent, it is ordinary for that to be regarded as the minimum profit, and contracts have been made accordingly. It has been found that because of accounting procedures required under the Vinson-Trammell Act the action costs the Government money rather than saves money. The gentleman from Georgia [Mr. VINSON], the author of the original legislation, has agreed that the act itself, which was passed in 1934, has served its purpose, and that these amendments should now be made.

Mr. CARROLL. Does the gentleman mean that as a result of the revision of the existing law contracts would be let for less than 10-percent profit?

Mr. KILDAY. It is anticipated that they will be let on a strictly competitive basis and that in instances there is likely to be a good deal less than 10-percent profit. Perhaps there may be a greater profit because the profit incentive has been taken out of these contracts because of the power of the Government to audit the contractor's books and to reduce his profits. It has operated somewhat like the old idea governing the fixed-fee or percentage basis of profit contracts.

Mr. CARROLL. My real point is to find out whether the committee found that 10 percent is not a sufficient profit.

Mr. KILDAY. The committee did not so find. But we found that it has not served to save the Government money but has served to cost the Government money. I will give the gentleman one instance. Batteries had to be bought for submarines during the war on negotiated contracts because the Vinson-Trammell Act was not in effect during the war but was suspended. When they attempted to buy the same batteries after the war subject to the Vinson-Trammell Act they found that they would have to pay from 13 percent to 15 percent more than they had to under the negotiated contracts because of the vast amount of accounting work necessary in order to comply with the act.

Mr. CARROLL. Then the gentleman is convinced that the passage of this act will save the Government money?

Mr. KILDAY. I think the entire committee was convinced of that.

Mr. CARROLL. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act of July 19, 1940 (54 Stat. 780; 34 U. S. C. 495a), is hereby amended by deleting section 6 and by renumbering the present section 7 as "6", and the present section 8 as "7."

SEC. 2. Section 2 of the act of March 27, 1934, entitled "An act to establish the composition of the United States Navy with respect to the categories of vessels limited by the treaties signed at Washington, February 6, 1922, and at London, April 22, 1930, at the limits prescribed by those treaties; to authorize the construction of certain naval vessels; and for other purposes", as amended, is hereby further amended by deleting the third proviso thereof, and so much of the fourth proviso which reads: "if inconsistent with the public interests in any year to have a vessel or vessels constructed as required above,".

SEC. 3. Section 2 of said act of March 27, 1934, is hereby further amended as follows:

That portion of the last proviso of the first paragraph reading as follows: "That not less than 10 percent of the aircraft, including the engines therefor, the procurement of which is authorized by this act and hereafter undertaken, shall be constructed and/or manufacture in Government aircraft factories and/or other plants or factories owned and operated by the United States Government."

The foregoing paragraph is subject to the following conditions:

"(1) That if it shall be determined by the President that present plants, factories, and equipment owned by the Government are not such as to permit the construction and/or manufacture of the said aircraft and/or engines in such Government plants and factories, in the proportions herein specified and required, then and in that event such requirement may be suspended in whole or in part by his order. However, in the event of such order of suspension being made by the President, then at his discretion the existing plants, factories, and facilities now owned and/or operated by the Government shall forthwith be expanded and equipped to enable the Government to construct, manufacture, and repair not less than 10 percent of its naval aircraft therein, except that it shall be discretionary with the President as to the percent constructed and/or manufactured in Government plants if he should find it impracticable for the Government to undertake the construction and/or manufacture of not less than 10 percent of its naval aircraft therein.

"(2) The President is also authorized to employ Government establishments in any case where—

"(a) it should reasonably appear that the persons, firms, or corporations, or the agents thereof, bidding for the construction of any of said aircraft, engines, spare parts, or equipment have entered into any combination, agreement, or understanding the effect, object, or purpose of which is to deprive the Government of fair, open, and unrestricted competition in letting contracts for the construction of any of said aircraft, engines, spare parts, or equipment, or—

"(b) should it reasonably appear that any person, firm, or corporation, or agents thereof, being solely or peculiarly in position to manufacture or furnish the particular type or design of aircraft, engines, spare parts, or equipment required by the Navy, in bidding on such aircraft, engines, spare parts, or equipment, have named a price in excess of cost of production plus a reasonable profit, as provided in section 3 of this act."

is hereby amended to read as follows: "That in the manufacture or construction of aircraft, aircraft engines, aircraft spare parts or aircraft equipment, the procurement of which is undertaken after the date of enactment of this act, the President, or if the President shall delegate such authority to the

Secretary of the Navy, the Secretary of the Navy shall be authorized to employ Government aircraft factories or other plants or factories owned and operated by the United States Government, or both, whenever—

"(a) it shall reasonably appear that the persons, firms, or corporations, or the agents thereof, bidding or in the absence of formal competition, submitting proposals for the construction of any such aircraft, engines, spare parts, or equipment have entered into any combination, agreement, or understanding the effect, object, or purpose of which is to deprive the Government of fair, open, and unrestricted competition in letting contracts for the construction of any of said aircraft engines, spare parts, or equipment; or

"(b) it shall reasonably appear that any persons, firms, or corporations, or the agents thereof, being solely or peculiarly in position to manufacture or furnish the particular type or design of aircraft, engines, spare parts, or equipment required by the Navy, in bidding thereon or in the absence of formal competition in submitting price proposals therefor have quoted an unreasonable price; or

"(c) the employment of Government aircraft factories or other plants or factories owned and operated by the United States Government, or both, in such construction or manufacture shall reasonably appear to be in the interest of national defense."

SEC. 4. Section 3 of the act of March 27, 1934 (48 Stat. 505), entitled "An act to establish the composition of the United States Navy with respect to the categories of vessels limited by the treaties signed at Washington, February 6, 1922, and at London, April 22, 1930, at the limits prescribed by those treaties; to authorize the construction of certain naval vessels; and for other purposes," as amended (34 U. S. C. 496), is further amended to read as follows:

"SEC. 3. The Secretary of the Navy is hereby directed to submit annually to the Bureau of the Budget estimates for the construction of the foregoing vessels and aircraft; and there is hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this act."

SEC. 5. Sections 2 (b), 3, and 4 of the act of June 28, 1940 (54 Stat. 676), entitled "An act to expedite national defense, and for other purposes," as amended and as contained in the United States Code (Supp. V, title 50 App., secs. 1152-1154, inclusive), are hereby expressly repealed.

SEC. 6. The act of March 5, 1940 (54 Stat. 45), entitled "An act to facilitate the procurement of aircraft for the national defense," as amended (50 App., U. S. C., Supp. V, 1439), is hereby further amended by deleting the third proviso thereof.

SEC. 7. Notwithstanding any agreement to the contrary, no contractor or subcontractor shall be required to make any report or to pay any profit under, or otherwise to comply with the other provisions of, section 3 of the act of March 27, 1934 (48 Stat. 505), as amended, with respect to any income-tax taxable year commencing after December 31, 1945.

With the following committee amendment:

On page 6, add a new section following section 7, to be numbered section 8 and to read as follows:

"SEC. 8. Section 14 of the act of April 3, 1939, entitled "An act to provide more effectively for the national defense by carrying out the recommendations of the President in his message of January 12, 1939" (53 Stat. 560), is amended by striking out all of such section except the last proviso thereof."

The committee amendment was agreed to.

80TH CONGRESS
1ST SESSION

H. R. 1995

IN THE SENATE OF THE UNITED STATES

JULY 8 (legislative day, JULY 7), 1947

Read twice and referred to the Committee on Civil Service

AN ACT

To amend the Civil Service Retirement Act of May 29, 1930, as amended, to provide for the return of the amount of deductions from the compensation of any employee who is separated from the service or transferred to a position not within the purview of such Act before completing ten years of service.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That section 12 (b) of the Civil Service Retirement Act
4 of May 29, 1930, as amended, is amended to read as follows:
5 “(b) In the case of any officer or employee to whom
6 this Act applies who shall be transferred to a position not
7 within the purview of this Act, or who shall become abso-

AN ACT

To amend the Civil Service Retirement Act of May 29, 1930, as amended, to provide for the return of the amount of deductions from the compensation of any employee who is separated from the service or transferred to a position not within the purview of such Act before completing ten years of service.

JULY 8 (legislative day, JULY 7), 1947

Read twice and referred to the Committee on
Civil Service

committee, including a representative of this Department, to aid in coordinating research programs of Government agencies; provides that the activities of the Foundation shall supplement, and not supersede, curtail, or limit the functions or activities of other Government agencies; and authorizes Government agencies to make transfers from their research funds to the Foundation for such use as is consistent with the purposes for which the funds were provided.

SENATE

16. **MARKETING.** Sen. Williams, Del., said CCC was responsible for the "technical corner" on the wheat market and discussed marketing operations of CCC and other Government agencies and shipments made for foreign relief (pp. 9086-91).
17. **INDEPENDENT OFFICES APPROPRIATION BILL, 1948.** Passed with amendments this bill, H.R. 3839 (pp. 9072-85). Sens. Reed, Bridges, Brooks, Cordon, Green, Russell, and McKellar were appointed conferees (p. 9085). House conferees not yet appointed. None of the non-committee amendments affect this Department.
18. **WAR MILITARY APPROPRIATION BILL, 1948.** Passed as reported this bill, H.R. 3678 (pp. 9064-9). Sens. Gurney, Brooks, Reed, Bridges, Thomas (Okla.), Hayden, and Overton were appointed conferees (p. 9069). House conferees not yet appointed.
19. **LANDS.** The Public Lands Committee reported with amendment S. 1368, to increase the size of isolated or disconnected tracts or parcels of the public domain which may be sold (S.Rept. 547) (p. 9047).
20. **PERSONNEL.** The Public Lands Committee reported without amendment H.R. 187, to include transportation by air for U.S. employees stationed in Alaska (S.Rept. 550) (p. 9047).
The Civil Service Committee approved (but did not actually report) H.R. 966, to amend Sec. 14 of the Veterans' Preference Act so as to make it mandatory for an administrative officer to take corrective action recommended by CSC in the case of appeals made by preference eligibles because of discharge, suspension, demotion, etc. (p. D536).
The Civil Service Committee approved (but did not actually report) H.R. 1995, to permit Federal employees to withdraw retirement deductions at any time within ten years (p. D536).
21. **LEGISLATIVE PROGRAM.** Sen. Taft, Ohio, requested that orderly procedure be maintained on the list of bills he inserted and which included S. 1584, to establish a 5-year sugar program; and H.Con.Res. 51, to disapprove Reorganization Plan No. 3 (housing) (p. 9086).
22. **R.F.C. REPORT.** Received the RFC report for February 1947 (p. 9046).
23. **HOUSING.** Sen. McMahon, Conn., inserted a letter from Norwalk, Conn., favoring the Taft-Ellender-Wagner housing bill (p. 9046).
24. **COMMITTEE STAFFS.** Various committees, including Banking and Currency, Civil Service, Small Business, Public Lands, and Expenditures in the Executive Departments, submitted reports listing the names of staff members and their salaries (pp. 9047-50).

BILLS INTRODUCED

- 24a. **FARM PROGRAM.** H.Res. 298, by Rep. Hope, Kans., authorizing the Committee on Agriculture to make studies and investigations into matters relating to agriculture. To Rules Committee. (p. 9164)

25. R.F.C.; VETERANS' BENEFITS. H.R. 4202, by Rep. Rogers (Fla.), and H.R. 4204, by Rep. Heckworth (Tex.), to amend the Reconstruction Finance Corporation Act so as to authorize the RFC to purchase loans guaranteed or insured under the GI Bill. To Banking and Currency Committee. (p. 9164.)
26. FOODS. H.R. 4211, by Rep. Bolton, Ohio, to amend the Federal Food, Drug, and Cosmetic Act so as to prohibit the introduction into interstate commerce of salt, in certain containers, not having a required content of iodides. To Interstate and Foreign Commerce Committee. (p. 9164.)
27. PRICES. H.Con. Res. 73, by Rep. Lodge, (Conn.), and H.Con. Res. 74, by Rep. Foote (Conn.), establishing a joint committee to investigate high prices of consumer goods. To Rules Committee. (p. 9164.)
28. FLOOD CONTROL. S. 1639, by Sen. Hatch, N.Mex., authorizing the repair and rehabilitation of irrigation works damaged by flood in the prevention of flood damage in the Fort Sumner irrigation district. To Public Lands Committee. (p. 9050.)
29. FARM LOANS; VETERANS. H.R. 4147 (see Digest 131) would extend the loan-guaranteed provisions of the Servicemen's Readjustment Act of 1944 to veterans of World War I.

ITEMS IN APPENDIX

30. WOOL. Rep. Mansfield, Mont., inserted an article by Carl O. Henson (secretary, Mont. Wool Growers' Assn.), "Do We Want a Wool-Growing Industry in This Country," which sets forth facts concerning the sheep industry (pp. A3747-8).
31. FARM LANDS. Rep. Miller, Calif., inserted a VFW resolution favoring the family-type farm and opposing S. 912, to repeal the acreage limitations on the Central Valley project (p. A3725).
32. DAIRY INDUSTRY. Rep. Davis, Wis., inserted his recent speech before the Southern Wisconsin Cheese Assn., in which he discussed the future of the cheese industry (pp. A3745-7).
33. WATER UTILIZATION. Rep. Poulson, Calif., inserted a Los Angeles Times article urging that the question of rights to water of the Colorado River be settled now to end the years-old controversy (p. A3741).
34. MISSOURI VALLEY AUTHORITY. Rep. Price, Ill., inserted a N.Y. Times editorial, "Mr. Truman Backs the MVA" (p. A3723).
35. MONOPOLIES; SMALL BUSINESS. Sen. Sparkman, Ala., inserted a statement by C.W. Harder (pres. National Federation of Small Business) urging "vigorous and immediate antitrust-law enforcement" (pp. A3728-30).
36. LOANS; VETERANS' BENEFITS. Rep. MacKinnon, Minn., inserted a United States News article, "Future of Veterans' Loans — Increased Risk for Private Lenders, With RFC Backing Eliminated" (p. A3738).
37. HOUSING. Rep. Donohue, Mass., inserted a Worcester Housing Authority endorsement of his bill, H.R. 3565, to provide housing for veterans (pp. A3743-4).
Rep. Lane, Mass., inserted a Boston Traveler editorial favoring the Taft-Ellender-Wagner housing bill (p. A3750).

Tuesday, July 15, 1947

Daily Digest

HIGHLIGHTS

Navy and legislative appropriations cleared for President.
Senate passed War Department and Independent Offices appropriations.
House passed Federal employees loyalty bill and 47 Private Calendar and 9 D. C. measures.
Military and civil-service bills approved by Senate groups.
New National Security Act ordered reported to House.
See Table on Appropriations.

Senate

Chamber Action

Routine Proceedings, pages 9045-9091

Bills Introduced: Ten bills were introduced, as follows: S. 1630-S. 1639.

Page 9050

Bills Reported: Bills and resolutions were reported, as follows:

S. 318, to authorize coinage of 50-cent pieces to commemorate patriotic service of Patrick Henry (S. Rept. 546);

S. 1368, to increase size of isolated tracts or parcels of public domain which may be sold (S. Rept. 547);

S. 1220, transfer portion of Acadia National Park, Maine, from Interior to Navy jurisdiction (S. Rept. 548);

H. R. 175, to give Governor of Alaska power to pardon and to remit fines and forfeitures (S. Rept. 549);

H. R. 187, to amend law to include air transportation for Federal employees and their families residing in Alaska (S. Rept. 550);

H. R. 1554, to facilitate the work of Alaska Road Commission by aiding it in obtaining rights-of-way (S. Rept. 551);

H. R. 1609, to provide for zoning power in town sites on public lands in Alaska (S. Rept. 552);

H. R. 3343, to provide compensation to members of Alaska Game Commission for time and services spent in investigations and hearings (S. Rept. 553);

H. R. 2938, fixing price of copies of records furnished by Dept. of Interior (S. Rept. 554);

H. R. 1203, to provide compensation for persons performing duties of postmasters (S. Rept. 555);

H. R. 2857, to extend second-class mailing privileges to State Conservation bulletins (S. Rept. 556);

S. 323, to provide relief for Army-Navy disbursing officers (S. Rept. 557);

S. Res. 144, authorizing D. C. police investigation (no written report, and referred to Committee on Rules and Administration);

S. Res. 148, authorizing Committee on Public Lands to hold hearings (no written report, and referred to Committee on Rules and Administration);

H. R. 2331, to amend ICC Act to include sleeping-car companies in definition of "carriers," relating to issuance of securities (S. Rept. 558); and

S. J. Res. 136, authorizing the President to accept UN Convention on Privileges and Immunities (S. Rept. 559).

Pages 9046-9047

FPC Nomination: S. Exec. Res. 52, transferring the nomination of Burton N. Behling, as FPC Commissioner, from the Committee on Public Works to the Committee on Interstate and Foreign Commerce, was adopted, 66 yeas to 19 nays.

Pages 9052-9063

War Department Appropriation: H. R. 3678, War Department appropriation bill, carrying a total \$5,616,618,799, was passed after adoption of a personnel limitation amendment by Senator Gurney, and rejection by division vote of an amendment by Senator Magnuson to prohibit time studies. A proposal by Sen-

ator Langer to give the National Guard the franking privilege on official mail was rejected on a point of order.

A conference was asked of the House, and the following conferees appointed: Senators Gurney, Brooks, Reed, Bridges, Thomas (Okla.), Hayden, and Overton.

Pages 9064-9069

Navy-Legislative Conference Reports: Conference reports on H. R. 3993, legislative appropriations, and H. R. 3493, Navy Department appropriations, were adopted by voice vote, clearing bills for President.

Pages 9069, 9070-9071

Independent Offices: H. R. 3839, independent offices appropriations bill, was passed by voice vote, carrying a total of \$8,307,978,247. An amendment by Senator Fulbright to increase the funds for the Federal Trade Commission by \$920,580 was defeated 35 yeas to 47 nays. Amendments by Senator Green adding \$13,972,220 for Veterans' Administration, and one by Senator Reed permitting use of certain emergency funds for roads, were adopted.

A conference was asked of the House and the following conferees appointed: Senators Reed, Bridges, Brooks, Cordon, Green, Russell, and McKellar.

Pages 9072-9085

Adjourn: Voted 35 yeas to 29 nays to adjourn after Senator Morse moved to consider S. 1394, to increase veterans' subsistence payments.

Page 9091

Program for Wednesday: Adjourned at 6:51 until noon July 16, when debate will start on S. Res. 150, to discharge Judiciary Committee from further consideration of S. Res. 116, investigating Missouri election.

Reports on Committee Meetings

(Committees not listed did not meet)

D. C. APPROPRIATION

Committee on Appropriations: Subcommittee on H. R. 4106, D. C. appropriation bill, completed hearings with testimony from various D. C. officials.

MILITARY BILLS APPROVED

Committee on Armed Services: Committee approved the following bills: H. R. 1366, Army-Navy procurement bill, with amendment; H. R. 3851, to provide \$100 a month increase for doctors in armed services, with amendments; H. R. 3501, to provide lump-sum payments in lieu of terminal leave; H. R. 4017, to redeem terminal leave bonds; S. 1252, relating to naval reorganization affecting status of the Chief of Naval Operations and Chief of Material Division; and a bill (to be introduced) combining S. 1103 and S. 1527, to provide a permanent basis for women in the armed services.

Committee also considered H. R. 2183, conveying portion of Fort Wayne Military Reservation to Detroit, but action was held over.

GI LOANS

Committee on Banking and Currency: The following witnesses testified in support of S. 1543, to restore to RFC Act certain provisions concerning GI loans: Frank W. Kelsey and T. B. King, Veterans' Administration; James L. Dougherty, RFC; and D. R. Bonniwell, Banco de Fomento de Puerto Rico. Also, John D. Goodloe, chairman of board of directors of RFC, testified.

Following hearings, committee appointed a subcommittee consisting of Senators Sparkman, Capehart, and Bricker to redraft the bill. Committee meets again Thursday.

POSTMASTERS AND CIVIL SERVICE BILLS

Committee on Civil Service: Nominations of 139 persons to be postmasters were reported, and 20 others were recommended for further consideration.

Committee also approved the following bills: S. Con. Res. 20, to examine business methods and operations of Post Office Department; S. 1089, to extend optional retirement rights to employees of Bureau of Narcotics; H. R. 966, to amend Veterans' Preference Act of 1944 to require proper administrative officer to accept decision of Civil Service Commission on an appeal by discharged or suspended veteran, with amendment; and H. R. 1995, to permit Federal employees to withdraw deductions prior to retirement any time within ten years. Rep. Rees appeared in support of H. R. 1995 before it was approved.

D. C. POLICE INVESTIGATION

Committee on the District of Columbia: S. Res. 144, authorizing investigation of D. C. Police Department, was unanimously reported.

FOREIGN INFORMATION AND EXCHANGE

Committee on Foreign Relations: In executive session, discussed H. R. 3342, U. S. Information and Educational Exchange Act. Committee meets again tomorrow.

CIRCUIT COURT

Committee on the Judiciary: Subcommittee met on the nomination of Philip D. Rice, to be judge of the fifth circuit court, Hawaii.

DISTRICT JUDGE

Committee on the Judiciary: Subcommittee heard opposition testimony to the nomination of Leo F. Rayfiel, to be U. S. district judge for eastern district of N. Y., from Jackson Dykman, attorney from Brooklyn and chairman of the Committee on Judicial Selections of N. Y. State Bar Assn., as well as representing American Bar Assn.; and Robert E. Lee, president, N. Y. Bar Assn. Committee meets again Thursday.

PETROLEUM

Committee on Public Lands: National Resources Economic Subcommittee heard the following witnesses discuss petroleum shortage: William C. Foster and H. B. McCoy, Commerce Department; Admiral Hoover,

DIGEST OF
CONGRESSIONAL PROCEEDINGS
OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
Division of Legislative Reports
(For Department staff only)

Issued July 22, 1947
For actions of July 21, 1947
80th-1st, No. 140

CONTENTS

Agricultural appropriation bill (individual items not indexed).....	1	Housing.....	7	Prices, support.....	20
Appropriations.....	1,10,11	Labor.....	52	Property, surplus..	32,34,56
	12,54,58	Lands.....	13,21,28,38	Purchasing.....	25
Bankruptcy.....	46	Lands, grazing.....	4,23	Remount service.....	2
Committees.....	5	Lands, reclamation.....	26	Research.....	14,18,40
Crop insurance.....	55	Latin America.....	29,42	Rubber.....	42
Dairy industry.....	20	Law, revision.....	6	Social security.....	43
Drainage.....	27	Livestock and meat.....	19	Small business.....	33,53
Farm program.....	8	Loans, farm.....	30,45,60	Soil conservation.....	49,50
Fats and oils.....	31	Marketing.....	16,47	Statistics.....	31,36
Flood control.....	32	Minerals.....	24,39	Subsidies.....	19
Foreign affairs ..	25,29,42,51	Patents.....	44	Territories and pos- sessions.....	28,50,60
Forests & forestry ..	15,24,50,51	Peanuts.....	17	Transportation.....	37
Economic report.....	61	Personnel.....	3,5,9,22,35	Veterans' benefits ..	3,28,35,45
		Prices, control.....	41	Wildlife.....	34
		Plant quarantine.....	59		

HIGHLIGHTS: Senate agreed to conference report on agricultural appropriation bill and acted on amendments. Both Houses received mid-year economic report from President. House passed bills to revise Civil Service Retirement Act, amend Marketing Agreement Act, provide for fats and oils statistics, change peanut-quota provisions, transfer Crab Orchard project, provide for specific milk-price supports, extend certain farm programs to Virgin Islands, control importation of nursery stock, modify Research and marketing Act provisions regarding appropriations. House agreed to conference report on Interior appropriation bill. House received conference report on National Science Foundation.

SENATE

1. AGRICULTURAL APPROPRIATION BILL, 1948. Agreed to the conference report on this bill, H. R. 3601 (pp. 9645-7). Agreed to the House amendment, regarding BAI quarantine service, to the Senate amendment concerning leave payments (p. 9647). Further insisted on Senate amendments as follows:
Meat-inspection increase and deletion of reimbursable provision (p. 9647).
Agricultural conservation program increases (pp. 9647-63, 9671-3, 9676-8);
by an 81-0 vote.
School-lunch program increase (pp. 9678-9); by an 81-0 vote.
Farm-tenant loans item (pp. 9679-80); by an 84-0 vote.
Sens. Brooks, Gurney, Reed, Bushfield, Russell, Hayden, and Tydings were appointed conferees for a further conference (p. 9680).
2. REMOUNT SERVICE. Sen. Thomas, Okla., criticized H. R. 3484, to transfer the Remount Service to the Department, and spoke in favor of S. 718, to provide for sale of the Fort Reno station to farmers. Sen. Morse spoke in favor of H. R. 3484 and inserted the report of the Department on this bill. Sen. Thomas submitted S. Res. 155, to provide for consideration of H. R. 3484 by the Agriculture and Forestry Committee prior to floor action, and the resolution was ordered to lie on the table. Several other Senators also discussed this matter (pp. 9663-71).

3. PERSONNEL. The Civil Service Committee reported the following bills without amendment (p. 9630):
 - H. R. 1995, to provide for return of civil-service retirement deductions of employees separated before completing 10 years of service (S. Rept. 633).
 - S. 1493, to give the Civil Service Commission final decision as to eligibility under the Veterans' Preference Act (S. Rept. 636).
4. GRAZING. The Public Lands Committee reported with amendments S. 1367, to amend the Taylor Grazing Act regarding distribution of fees (S. Rept. 647)(p. 9630).
5. COMMITTEE STAFF. The Expenditures in the Executive Departments Committee reported without amendment S. Res. 152, authorizing the Committee to make additional expenditures and employ temporary assistants (S. Rept. 651); to Rules and Administration Committee (p. 9630).
6. LAWS CODIFICATION. The Judiciary Committee reported without amendment H. R. 1565, to codify and enact into positive law Title I of the U. S. Code, "General Provisions" (S. Rept. 658)(p. 9630).
7. LEGISLATIVE PROGRAM. It is expected that the Senate today will consider the Reorganization Plan on housing and bills on the calendar (p. 9681).

HOUSE

8. FARM PROGRAM. The Rules Committee reported H. Res. 298, to authorize the Agriculture Committee to investigate any matter within its jurisdiction, including but not limited to the study of long-range problems affecting agriculture and forestry, effectiveness of measures to control foot-and-mouth disease, existence and causes of shortages and surpluses of food and other agricultural commodities and the current and prospective demand for food and other agricultural commodities, at home and abroad (H. Rept. 1015) (pp. 9719, 9799).
9. PERSONNEL RETIREMENT. Passed as reported H. R. 4127, which contains the following provisions: (1) Retired employees now on the annuity rolls are to obtain increased annuity benefits, or in lieu thereof are permitted to obtain certain benefits for their surviving spouse; (2) provision is made for a more simple and more equitable method of computing annuities which raises annuities by approximately 5 percent in the higher salary groups to 25 percent in the lower brackets (an increase of 25 percent, or \$300, whichever is the lesser, is provided for present annuitants); (3) Federal employees' contributions to the retirement fund are increased from 5 to 6 percent of such employees' basic salary; (4) retirement deductions are to be refunded to employees who have had less than 5 years of service, optional refunds are provided for those employees with from 5 to 10 years of service (excluding military service), but contributions to the retirement fund from employees with 10 or more years of service (excluding military service) are to be retained in the retirement fund until such age as annuities are provided; and (5) the so-called tontine service charge against Federal employees is eliminated (pp. 9763-75).
10. AGRICULTURAL APPROPRIATIONS. Rep. Dirksen obtained unanimous consent for the Agricultural Appropriation subcommittee to have until midnight, July 21, to file a report (p. 9719).
11. INTERIOR DEPARTMENT APPROPRIATION BILL, 1948. Agreed to the conference report on this bill, H. R. 3123, concurred in Senate action on 13 of the amendments reported in disagreement, and agreed with amendments to the remaining ten (pp. 9778-88).

AMENDING THE CIVIL SERVICE RETIREMENT ACT OF MAY 29, 1930, AS AMENDED, TO PROVIDE FOR THE RETURN OF THE AMOUNT OF DEDUCTIONS FROM THE COMPENSATION OF ANY EMPLOYEE WHO IS SEPARATED FROM THE SERVICE OR TRANSFERRED TO A POSITION NOT WITHIN THE PURVIEW OF SUCH ACT BEFORE COMPLETING 10 YEARS OF SERVICE

JULY 21 (legislative day, JULY 16), 1947.—Ordered to be printed

Mr. O'CONOR, from the Committee on Civil Service, submitted the following

REPORT

[To accompany H. R. 1995]

The Committee on Civil Service, to whom was referred the bill (H. R. 1995) to amend the Civil Service Retirement Act of May 29, 1930, as amended, to provide for the return of the amount of deductions from the compensation of any employee who is separated from the service or transferred to a position not within the purview of such act before completing 10 years of service, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

GENERAL STATEMENT

Under the present Retirement Act employees who have rendered 5 or more years of service are unable to withdraw their contributions to the retirement fund. Most of these employees are in the younger age groups and feel that the money they have in the retirement fund would be more useful to them than a deferred annuity beginning many years later. The enactment of this bill into law will make it possible for all persons rendering less than 10 years of service to withdraw their money, less tontine in some cases, from the retirement fund.

The contribution rate of employees was 2½ percent from August 1, 1920, to June 30, 1926; 3½ percent from July 1, 1926, to June 30, 1942; and 5 percent since July 1, 1942. In some instances, the contributions of 5 years with interest amount to a fairly sizable sum of money. Employees who withdraw their contributions from the retirement fund forfeit the right to any deferred annuity unless they are reemployed in a position within the terms of the act.

Due to the large number of persons who were employed after the beginning of the war and who will be terminated in the next year or two, the change in the vesting of rights to annuity as proposed in the bill will greatly reduce the number of annuities that would otherwise be allowed in future years. A savings, therefore, will accrue to the Government, and the administration of the Retirement Act will be greatly simplified.

The Civil Service Commission has no objection to this legislation and has submitted the following report:

This bill would amend section 12 (b) so that an officer or employee transferred to a position not within the purview of the act or who became absolutely separated from the service before he completed an aggregate of 10 years' service should have returned upon his request the amount of deductions credited to his individual account, with interest at 4 percent. If he was involuntarily separated not by removal for cause on charges of misconduct or delinquency before completing 10 years' service, the total amount of deductions, with interest at 4 percent, should be returned to him.

The act of January 24, 1942, amended section 7 of the act of May 29, 1930, by vesting title to annuity, upon attaining age 62, in an employee who voluntarily separates himself from service, or is removed for cause after serving 5 years or more. If such employee is involuntarily separated not by removal for cause on charges of misconduct or delinquency, he may receive either (a) deferred annuity at age 62, or (b) immediate annuity of equivalent actuarial value at age 55 (or at date of separation if subsequent to that age). Interest is allowed on the separated employee's individual account in the retirement fund at 3 percent, compounded annually, until beginning date of annuity.

Upon separation as indicated in the preceding paragraph, an employee may receive a refund covering deductions, deposits, and redeposits made prior to January 24, 1942, with interest, the reason for separation in each case governing whether the individual account or total deductions may be paid; any sum so refunded (except voluntary contributions, if any) must be redeposited with interest before the employee may derive any annuity benefits based on the service covered by the refund.

Any employee who becomes absolutely separated from service after serving less than 5 years, or is transferred to a position not within the act, may receive a refund of the sum credited to his individual account with interest. If such separation is involuntary, not by removal for cause on charges of misconduct or delinquency, total deductions with interest are returnable. Any money so refunded must, upon the employee's reinstatement to a position under the act, be redeposited with interest before any title to annuity benefits may exist.

The proposed amendment makes no provision for redeposit of refunds made in case of more than 5 years of service, except upon reemployment. The payment of refund as provided by this proposal would, therefore, destroy any right to future annuity payments in a person having more than 5 years' service if such person is not later reemployed in a position within the terms of the act.

The Commission is of the belief that title to annuity should vest in persons who have rendered 5 or more years of service regardless of the cause of separation, thus providing an old-age benefit, which, together with benefits under the Social Security Act and pension or retired plans of private industry, tends to provide for the welfare of officers and employees covering their entire working career.

The return to an annuitant for the amount deducted when he reaches the age of retirement is of far greater value than the payment of refund. For example, an employee who resigns with 5 years' service would have deducted from his salary \$50 per annum for each thousand dollars of annual salary received. If his salary amounted to \$2,000 per annum, there would be credited to his individual account \$88 per annum. The remaining \$12 tontine will be credited to the retirement fund. When a person reaches the age of 62 years, he will receive the Government's share \$30 for each year of service or \$150 per annum. There would remain to his individual credit \$440 plus whatever interest had been earned at 4 percent compounded annually, while in service. The annuity purchasable at age 62 with this amount is added to the \$150 Government share to determine the total annuity to be received.

A male's expectation of life after he has reached the age of 62 is 15 years, and a female's life expectancy is approximately $2\frac{1}{2}$ years longer. Therefore, if a person lived his full life expectancy, he would secure from the Government in annual installments \$2,250 as the Government's share of his annuity. If he lives longer than 15 years, he will receive \$150 for each year he lives beyond his life expectancy. These figures do not include the annuity payments received by reason of his own contributions. It will thus be seen that since the employee's contributions are \$500, he has an even chance at age 62 of receiving more than four times his contributions from the Government alone, not to mention the annuity that his contributions would purchase.

The Commission, however, recognizes the fact that many of the employees who leave the service through resignation or by reduction in force are still in their youth. Undoubtedly some portion of these with 5 or more years of service to their credit would prefer an immediate cash refund to a deferred annuity to become payable in the future. In practically all cases, withdrawal would be to the employee's monetary disadvantage. However, it would obviously be a savings to the Government and would reduce the Government's cost of retirement to permit the payment of refunds as proposed.

This proposal would apply only to persons separated from and after its effective date.

The Commission would make no objection to the passage of this amendment.

The Bureau of the Budget advises there is no objection to the submission of this report.

By direction of the Commission:

HARRY B. MITCHELL, *President.*



Calendar No. 662

80TH CONGRESS
1ST SESSION

H. R. 1995

[Report No. 633]

IN THE SENATE OF THE UNITED STATES

JULY 8 (legislative day, JULY 7), 1947

Read twice and referred to the Committee on Civil Service

JULY 21 (legislative day, JULY 16), 1947

Reported by Mr. O'CONNOR, without amendment

AN ACT

To amend the Civil Service Retirement Act of May 29, 1930, as amended, to provide for the return of the amount of deductions from the compensation of any employee who is separated from the service or transferred to a position not within the purview of such Act before completing ten years of service.

- 1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That section 12 (b) of the Civil Service Retirement Act
4 of May 29, 1930, as amended, is amended to read as follows:
5 “(b) In the case of any officer or employee to whom
6 this Act applies who shall be transferred to a position not
7 within the purview of this Act, or who shall become abso-
8 lutely separated from the service before he shall have com-

1 pleted an aggregate of ten years of civilian service computed
2 in accordance with section 5 of this Act, the amount of deduc-
3 tions from his basic salary, pay, or compensation credited
4 to his individual account, together with interest at 4 per
5 centum compounded on December 31 of each year, shall,
6 upon his request, be returned to such officer or employee:
7 *Provided*, That when an officer or employee becomes in-
8 voluntarily separated from the service, not by removal for
9 cause on charges of misconduct or delinquency before com-
10 pleting ten years of creditable civilian service the total
11 amount of deductions from his basic salary, pay, or com-
12 pensation with interest at 4 per centum compounded on
13 December 31 of each year shall, upon his request, be
14 returned to such officer or employee: *Provided further*,
15 That in case any request under this subsection is submitted
16 after the date of transfer to a position not within the pur-
17 view of this Act or of absolute separation from the service,
18 the interest allowed for the period after such date of transfer
19 or separation shall be at the rate of 3 per centum compounded
20 on December 31 of each year: *Provided further*, That
21 no such interest shall be allowed on any separation un-
22 less the service covered thereby aggregates more than one
23 year: *And provided further*, That all deductions from basic
24 salary, pay, or compensation so returned to an officer or
25 employee must, upon reinstatement, retransfer, or reappoint-

1 ment to a position coming within the purview of this Act
2 be redeposited with interest at 4 per centum compounded on
3 December 31 of each year before such officer or employee
4 may derive any benefits under this Act, except as provided
5 in this section, but interest shall not be required covering
6 any period of separation from the service. In computing
7 interest under this subsection, a fractional part of a month
8 in the total service, or in the total period after the date of
9 transfer or separation, of an officer or employee shall be dis-
10 regarded."

11 SEC. 2. The amendment made by the first section of
12 this Act to section 12 (b) of such Act of May 29, 1930,
13 as amended, shall take effect as of January 24, 1942.

Passed the House of Representatives July 7, 1947.

Attest:

JOHN ANDREWS,

Clerk.

[Report No. 633]

AN ACT

To amend the Civil Service Retirement Act of May 29, 1930, as amended, to provide for the return of the amount of deductions from the compensation of any employee who is separated from the service or transferred to a position not within the purview of such Act before completing ten years of service.

JULY 8 (legislative day, JULY 7), 1947

Read twice and referred to the Committee on
Civil Service

JULY 21 (legislative day, JULY 16), 1947

Reported without amendment



United States
of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 80th CONGRESS, FIRST SESSION

Vol. 93

WASHINGTON, MONDAY, JULY 21, 1947

No. 140

Senate

(Legislative day of Wednesday, July 16, 1947)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. Albert Joseph McCartney, D. D., minister emeritus, Covenant-First Presbyterian Church, Washington, D. C., offered the following prayer:

And now, O Lord God, we have come to the last long pull of the first session of the Eightieth Congress. Wherefore we ask for strength and wisdom to endure to the end. May no one of us grow weary or discouraged in well-doing, but may we be found faithful to the last. Amid the rush and tumble of these concluding days, help us to think clearly, to speak sincerely, and to act with dispatch. Guard us against careless or needless legislation. So may we merit Thy divine approval and the tribute of a grateful people, "Well done, good and faithful servants of the Republic."

So may Thy kingdom come and Thy will be done. Amen.

THE JOURNAL

On request of Mr. WHITE, and by unanimous consent, the reading of the Journal of the proceedings of Saturday, July 19, 1947, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Farrell, its enrolling clerk, announced that the House had passed without amendment the bill (S. 1508) to express the intent of the Congress with reference to the regulation of the business of insurance, approved March 9, 1945 (59 Stat. 33).

The message also announced that the House had passed the bill (S. 758) to promote the national security by providing for a National Security Organization, which shall be administered by a Secretary of National Security, and for a Department of the Army, a Department of the Navy, and a Department of the Air Force within the National Security Organization, and for the coordination of the activities of the National Security Organization with other departments

and agencies of the Government concerned with the national security, with amendments in which it requested the concurrence of the Senate; that the House insisted upon its amendments, asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. HOFFMAN, Mr. BENDER, Mr. LATHAM, Mr. WADSWORTH, Mr. MANASCO, Mr. McCORMACK, and Mr. HOLIFIELD were appointed managers on the part of the House at the conference.

The message further announced that the House had passed a joint resolution (H. J. Res. 238) to amend paragraph 1772 of the Tariff Act of 1930, in which it requested the concurrence of the Senate.

CORRECTION OF ANNOUNCEMENT OF VOTE

Mr. CONNALLY. Mr. President, on Saturday evening last, when the vote was taken on the passage of H. R. 3961, increasing pensions to Spanish-American War and Civil War veterans and their dependents, I was necessarily absent, inasmuch as I was participating in a radio broadcast. It was announced that had I been present I would have voted "yea." I desire to state that had I been present I would have asked permission to be excused from voting for the reason that I was in the Army in 1898. I ask unanimous consent that the permanent RECORD be corrected accordingly.

The PRESIDENT pro tempore. The correction will be made.

MEETINGS OF COMMITTEES DURING SENATE SESSION

Mr. WHITE. I ask unanimous consent, without prejudice to the pending business, that the Judiciary Committee may be privileged to sit during today's session of the Senate.

The PRESIDENT pro tempore. Without objection, the order is made.

Mr. DONNELL. Mr. President, I ask unanimous consent that the subcommittee of the Committee on the Judiciary which is considering the nomination of Roy W. Harper to be United States district judge in Missouri may meet this afternoon, and possibly this evening, while the Senate is in session.

The PRESIDENT pro tempore. Without objection, the order is made.

RESIGNATION OF HON. ROBERT P. PATTERSON, SECRETARY OF WAR

Mr. MAYBANK. Mr. President, I ask unanimous consent to have printed in the RECORD a well-deserved tribute, in the form of an editorial published in the Washington Post of July 20, 1947, to Hon. Robert P. Patterson, who is retiring as Secretary of War after having rendered during difficult and critical years faithful, efficient, and devoted service to his country.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

PATTERSON'S DEPARTURE

The letter in which President Truman accepted the resignation of Secretary Patterson was a richly deserved tribute to a man who prosecuted the war with a rare devotion. It was always as if there were not enough hours in the day for Secretary Patterson. And out of every minute of his working time he extracted 60 seconds of service to his job. He felt there could never be enough contribution to the sustenance of the fighting forces. It was a total war in which everybody in his way was engaged, and sometimes we thought Mr. Patterson lacked a proper appreciation of the needs on the home front. But it was the knowledge of the military task confronting the generals that drove him remorselessly and single-mindedly to insist in their behalf upon the Army's requirements. He was the most compelling advocate in the councils of those who allocated the national resources. If in most cases he got what he wanted, however, it was not because of his presentation, but because he himself was the living exemplification of the sacrifice he pleaded for. A model of self-discipline, except when he was crossed as a claimant for the soldiers, a Spartan in his private habits—here was an administrator who behaved throughout the war as if he had a personal responsibility for winning it.

The sweetest praise in Judge Patterson's ears would be to call him a good soldier. In the First World War he was literally that, and he came back from the fronts with a chestful of medals, proof of his conspicuous gallantry and leadership in battle. But he was as good a soldier at his desk, first as Under Secretary and then as Secretary, as he was on the battlefield. Perhaps he had in his mind's eye the lot of the men in the foxholes and thought of himself as a comrade in arms. But we doubt it. We rather think his dedication to his work came from a pure patriotism—a patriotism unmarred by the slightest particle of selfish or political ambition. There were few men like him in wartime.

Washington. His absorption in the huge and many problems of his post, coupled with his dour personality, kept him somewhat aloof. Yet this man of war would have been at home in Athens as well as Sparta, for in private life he was a judge, and a judge rated by his fellows as one having authority and learning and wisdom. In the years to come we hope he will be rewarded by higher preferment on the bench.

TRANSACTION OF ROUTINE BUSINESS

By unanimous consent, the following routine business was transacted:

DISPOSITION OF EXECUTIVE PAPERS

The PRESIDENT pro tempore laid before the Senate a letter from the Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition, which, with the accompanying papers, was referred to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The PRESIDENT pro tempore appointed Mr. LANGER and Mr. CHAVEZ members of the committee on the part of the Senate.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. O'CONOR, from the Committee on Civil Service:

H. R. 1995. A bill to amend the Civil Service Retirement Act of May 29, 1930, as amended, to provide for the return of the amount of deductions from the compensation of any employee who is separated from the service or transferred to a position not within the purview of such act before completing 10 years of service; without amendment (Rept. No. 633).

By Mr. LANGER, from the Committee on Civil Service:

S. 1416. A bill to amend section 203 of the Federal Employees' Pay Act of 1945; without amendment (Rept. No. 635);

S. 1426. A bill to authorize certain administrative expenses in the Post Office Department, and for other purposes; with an amendment (Rept. No. 637);

S. 1493. A bill to amend section 19 of the Veterans' Preference Act of June 27, 1944 (58 Stat. 387), and for other purposes; without amendment (Rept. No. 636); and

S. 1562. A bill to amend section 102 (b) of the Federal Employees Pay Act of 1945 to exclude certain experts and consultants from the coverage of the act; without amendment (Rept. No. 638).

By Mr. FLANDERS, from the Committee on Banking and Currency:

S. 342. A bill to authorize the coinage of 50-cent pieces in commemoration of the two hundredth anniversary of the founding of the city of Reading, Pa.; without amendment (Rept. No. 639);

S. 722. A bill to authorize the issuance of Oregon Trail commemorative 50-cent pieces to the Oregon Trail Monument Association, Idaho Unit, Inc.; without amendment (Rept. No. 640);

S. 1042. A bill to provide for the completion of Mount Rushmore National Memorial and the financing thereof by issuance of a special coin; without amendment (Rept. No. 641);

S. 1304. A bill to authorize the coinage of 50-cent pieces in commemoration of the one hundredth anniversary of the organization of Minnesota as a Territory of the United States; without amendment (Rept. No. 642);

S. 1614. A bill to authorize the coinage of 50-cent pieces to commemorate the patriotic services of Gen. Maurice Rose and to perpetuate the General Rose Memorial Hospital as a historic shrine; without amendment (Rept. No. 643); and

S. J. Res. 48. Joint resolution to authorize the coinage of 50-cent pieces in commemoration of the two hundredth anniversary of the birth of Gen. Casimir Pulaski; without amendment (Rept. No. 644).

By Mr. CAPEHART, from the Committee on Banking and Currency:

H. R. 3448. A bill to amend the Federal Home Loan Bank Act, and for other purposes; without amendment (Rept. No. 645).

By Mr. BUTLER, from the Committee on Public Lands:

S. 1367. A bill to amend section 10 of the Taylor Grazing Act of June 28, 1934 (48 Stat. 1273), as amended June 26, 1936 (49 Stat. 1978; 43 U. S. C., sec. 315i); with amendments (Rept. No. 647);

H. R. 185. A bill to authorize the sale of certain public lands in Alaska to the Catholic Society of Alaska for use as a mission; without amendment (Rept. No. 650);

H. R. 197. A bill to transfer part of block 14 and the school building thereon of Petersburg town site, Alaska, used for school purposes, to the town of Petersburg, Alaska; without amendment (Rept. No. 648); and

H. R. 3376. A bill to ratify and confirm Act 10 of the Session Laws of Hawaii, 1947, extending the time within which revenue bonds may be issued and delivered under chapter 118, Revised Laws of Hawaii, 1945; without amendment (Rept. No. 649).

By Mr. ECTON, from the Committee on Public Lands:

S. 1507. A bill authorizing the sale of undisposed of lots in Michel Addition to the town of Polson, Mont.; with an amendment (Rept. No. 634).

By Mr. HATCH, from the Committee on Public Lands:

S. 1006. A bill to amend section 27 of the Mineral Leasing Act of February 25, 1920, as amended, so as to increase the acreage of sodium leases which may be issued in any State to a person, association, or corporation; without amendment (Rept. No. 646).

By Mr. BRICKER:

From the Committee on Banking and Currency:

H. R. 2800. A bill to amend section 5 of the Home Owners' Loan Act of 1933, and for other purposes; with an amendment (Rept. No. 652).

From the Committee on Expenditures in the Executive Departments:

S. Res. 152. Resolution authorizing the Committee on Expenditures in the Executive Departments to make additional expenditures and employ temporary assistants; without amendment (Rept. No. 651); and, under the rule, the resolution was referred to the Committee on Rules and Administration.

By Mr. WILEY, from the Committee on the Judiciary:

S. 257. A bill for the relief of Yoneo Sakai; without amendment (Rept. No. 653);

S. 535. A bill for the relief of Adelbert E. Tuller; without amendment (Rept. No. 654);

S. 939. A bill for the relief of Charles Howard Richards; with amendments (Rept. No. 655);

S. 1674. A bill for the relief of Roman Toporow; without amendment (Rept. No. 656);

H. R. 640. A bill for the relief of Harley Shores; without amendment (Rept. No. 657);

H. R. 1565. A bill to codify and enact into positive law, title I of the United States Code, entitled "General Provisions"; without amendment (Rept. No. 658);

H. R. 1566. A bill to codify and enact into positive law title 4 of the United States Code, entitled "Flag and Seal, Seat of Gov-

ernment, and the States"; without amendment (Rept. No. 659);

H. R. 1567. A bill to codify and enact into positive law title 6 of the United States Code, entitled "Official and Penal Bonds"; without amendment (Rept. No. 660);

H. R. 1652. A bill to provide for the naturalization of certain United States Army personnel—Yugoslav fliers; without amendment (Rept. No. 661);

H. R. 1737. A bill for the relief of Owen R. Brewster; with an amendment (Rept. No. 662);

H. R. 2083. A bill to codify and enact into positive law title 17 of the United States Code, entitled "Copyrights"; without amendment (Rept. No. 663); and

H. R. 2084. A bill to codify and enact into positive law title 9 of the United States Code, entitled "Arbitration"; without amendment (Rept. No. 664).

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. WILEY, from the Committee on the Judiciary:

EVAN HOWELL, of Illinois, to be judge of the United States Court of Claims, vice Marvin Jones, elevated;

LEO F. RAYFIEL, of New York, to be United States district judge for the eastern district of New York, vice Grover M. Moscovitz, deceased;

Joseph T. Votava, of Nebraska, to be United States attorney for the district of Nebraska;

Irving J. Higbee, of New York, to be United States attorney for the northern district of New York;

Ward Hudgins, of Tennessee, to be United States attorney for the middle district of Tennessee, vice Horace Frierson;

Carl J. Werner, of Illinois, to be United States marshal for the eastern district of Illinois; and

George E. Proudfit, of Nebraska, to be United States marshal for the district of Nebraska.

NOMINATION OF PHILIP B. PERLMAN— EXECUTIVE REPORT OF A COMMITTEE

Mr. WILEY. Mr. President, I send to the desk the nomination reference and report of the Senate Committee on the Judiciary recommending that the nomination of Philip B. Perlman, to be Solicitor General of the United States, vice J. Howard McGrath, resigned, be confirmed.

I ask that the nomination be received and placed on the Executive Calendar, but I wish to state for the RECORD that the Senate Committee on the Judiciary agreed, without objection, to permit the junior Senator from Michigan [Mr. Ferguson] to file an adverse report by Thursday of this week, which means that in fairness to the junior Senator from Michigan the committee will object to any consideration of the nomination prior to Thursday when the junior Senator from Michigan can submit his statement.

The PRESIDENT pro tempore. Without objection, the report will be received

13. MEXICAN FENCE. Passed as reported S.J.Res. 46, to provide for a fence along the Mexican border to provide protection from animal diseases, etc. (pp.10016-7).
14. RESEARCH LAND. Passed without amendment H.R. 2511, to authorize sale of a 2-acre tract of land in the Agricultural Research Center, Beltsville, to the Queens Chapel Methodist Church (p. 10018). This bill will now be sent to the President.
15. FOREST SERVICE LAND. Passed with amendment S. 1505, to direct transfer to Boise, Idaho, of 9 lots of a 5-acre tract of land donated to the U.S. by Boise and now used by Forest Service as a site for central repair shops (pp. 10018-9).
16. RECLAMATION. Passed without amendment S. 1639, authorizing repair and rehabilitation of irrigation works damaged by flood and prevention of flood damage in Fort Sumner irrigation district (pp. 10021-2).
17. FOREIGN AFFAIRS. Passed without amendment S. 1574, to authorize any Government agency to furnish or to procure and furnish materials, supplies, and equipment to public international organizations (pp. 10035-6).
18. PERSONNEL RETIREMENT. Passed without amendment H.R. 1995, to amend the Civil Service Retirement Act to provide for return of the amount of deductions from compensation of any employee who is separated from service or transferred to a position not within the purview of the Act before completing 10 years of service (pp. 10044-5). This bill will now be sent to the President.
19. VETERANS PREFERENCE. Passed without amendment S. 1493, to amend the Veterans' Preference Act so as to require Federal agencies to comply with CSC recommendations on appeals of preference eligibles. The vote was then reconsidered at the request of Sen. Taft, Ohio, and the bill was passed over (p. 10045.)
Passed without amendment S. 1494, to amend the Veterans' Preference Act so as to make it mandatory for administrative officers to take corrective action recommended by CSC in the case of appeals of preference eligibles (p.10042).
Passed as reported S. 999, to amend the Veterans' Preference Act so as to limit service-connected disability preference to disabilities compensable under laws administered by VA, War, or Navy Departments; provide that preference points shall be added only to earned ratings which meet the minimum qualification rate for a particular examination; and provide that in examinations for guards, elevator operators, messengers, and custodians, competition shall be restricted to persons entitled to preference (p. 10008).
20. BILLS PASSED OVER. The following bills were discussed and passed over:
Remount Service. H.R. 3484, to transfer this Service to the Department of Agriculture from the War Department (pp. 1004-5).
Grain bonus. S. 669, to provide for payment of the 30-cent wheat and corn bonus on grain produced and sold between Jan. 1, 1945, and Apr. 18, 1946 (p. 9997).
Subsistence expense. S. 544, to increase the subsistence-expense allowances (pp. 9999-10000).
Appropriations. S. Con. Res. 6, to include all general appropriation bills in one consolidated bill (p. 10006).
Research; Information. S. 493, to provide for coordination of agencies disseminating technological and scientific information (pp. 10006-7).
Forests. H.J.Res. 205, to permit timber sales in the Tongass National Forest, Alaska, in such a way as to facilitate pulp production (pp.10008-9, 10024-5).
Veterans' Preference. S. 416, to extend veterans' preference benefits to widowed mothers of certain ex-servicemen (p. 100017).
Farm training. H.R. 2181, relating to institutional on-farm training for veterans (pp. 10027, 10058).

21. NATIONAL FORESTS. The Agriculture and Forestry Committee approved (but did not actually report) H.R. 1826, making it a petty offense to enter any national forest land closed to the public (p. D590).
22. MARKETING. The Agriculture and Forestry Committee approved (but did not actually report) H.R. 4124, to amend the peanut marketing quota provisions of the Agricultural Adjustment Act; and H. R. 452, to amend the Agricultural Marketing Agreement Act (p. D590).
23. RESEARCH. The Agriculture and Forestry Committee approved (but did not actually report) H.R. 4110, to amend the Research and Marketing Act so as to provide that not less than 20% of the funds "appropriated", rather than those "authorized to be appropriated", for general research shall be used by the State agricultural experiment stations for conducting marketing research projects approved by the USDA (p. D590).
24. LATIN AMERICA. Passed without amendment S. 1678, to provide for the reincorporation of the Institute of Inter-American Affairs (pp. 10052-3). This bill will now be sent to the President.
25. LANDS. The Interstate and Foreign Commerce Committee reported without amendment H.R. 3043, to transfer the Grab Orchard Creek land utilization project and the Ill. Ordnance Plant to the Interior Department for use as a wildlife management area, except that lands not required for such area may be leased under certain conditions (S.Rept. 701) (p. 9993).
26. MINERALS. The Public Lands Committee reported without amendment H.R. 1602, to stimulate exploration, development, and production from domestic mines by continuing for 2 years the premium price plan for copper, lead, and zinc through RFC (S.Rept. 709) (p. 9993).

HOUSE

27. FARM LOANS. The Veterans Affairs Committee reported without amendment H.R. 4309, to amend title III of the Servicemen's Readjustment Act of 1944 pertaining to "Loans for the purchase or construction of homes, farms, and business property," so as to provide more adequate and effective farm-loan benefits (H.Rept. 1039) (p. 9989). The Daily Digest states that this bill would authorize "Farm Credit Administration to make direct loans to World War II veterans (p. D591).
28. INDEPENDENT OFFICES APPROPRIATION BILL, 1948. Received the conference report on this bill, H.R. 3839 (pp. 9979-81).
29. COMMITTEES. Rep. Wat Arnold, Mo., was elected to the Agriculture Committee vice Rep. Clevenger, Ohio, resigned and Rep. Clevenger was elected to the Appropriations Committee vice Rep. Jones, Ohio, resigned (p. 9943).
Reps. Pickett (Tex.), and Mack (Wash.) were elected to the Public Works Committee (pp. 9942-3).
30. ACCOUNTING. The Expenditures in the Executive Departments Committee reported with amendments S. 1350, which authorizes GAO to relieve disbursing and other accountable officers for physical loss or deficiency of Government funds, vouchers, checks, etc., under certain conditions not involving fault or negligence (H.Rept. 1040) (p. 9989).
The Expenditures in the Executive Departments Committee reported with amendment S. 907, to provide for the orderly transaction of public business in the event of the death, resignation, or separation from office of regional disbursement officers of the Treasury Department (H.Rept. 1046) (p. 9989).

31. RECLAMATION. Passed, with the reported version of H.R. 1597 inserted as an amendment, S. 483, to relocate the boundaries and reduce the area of the Gila reclamation project, Ariz. (pp. 9938-40).
32. PUBLIC DEBT. Rep. Rich, Pa., spoke in favor of reducing the public debt (pp. 9940-1).
33. PERSONNEL. Reps. Monroney (Okla.), Rankin (Miss.), and Combs (Tex.) spoke in favor of legislation to carry out the proposed loyalty investigation program (pp. 9941-3).
34. LANDS. Passed without amendment S. 1368, to increase the size of isolated or disconnected tracts or parcels of the public domain which may be sold (p. 9962). This bill will now be sent to the President.
Passed with amendments H.R. 3022, to promote the mining of coal, phosphate, sodium, potassium, oil, oil shale, gas, and sulfur on lands acquired by the U.S. by making applicable to such lands the disposal policies of the Mineral Leasing Act now applicable to the public domain; and to provide that the heads of all land administering agencies shall furnish to the Interior Department complete descriptions and other pertinent data on lands affected (pp. 9972-3).
35. CONSUMER CREDIT. Conferees were appointed on S.J. Res. 148, to authorize the temporary continuation of regulation of consumer credit (p. 9981).
36. FUR SITUATION. Rep. Murray, Wis., submitted the report of the Fur Subcommittee of the Agriculture Committee on its investigation of the fur situation (pp. 9981-4). In connection with this report, Rep. Robsion, Ky., discussed with Rep. Murray the wool-price-support bill (pp. 9984-5).
37. EDUCATION. Rep. Kefauver, Tenn., spoke in favor of Federal aid for education (pp. 9987-8).
38. PURCHASING. Received from the Treasury Department a proposed bill for the more economical operation of the general supply funds of the Bureau of Federal Supply; to Expenditures in the Executive Departments Committee (p. 9989).
39. ATOMIC ENERGY. Received the second semi-annual report of the Atomic Energy Commission (p. 9989).
40. PAPER SHORTAGE. The Select Newsprint and Paper Supply Committee submitted an interim report (H.Rept. 1042) (p. 9989).

ITEMS IN APPENDIX

41. AGRICULTURAL INVESTIGATIONS. Speech in the House by Rep. Sabath, Ill., favoring investigation of the disparity between the farmers' and the consumers' price (pp. A4019-20).
42. NATURAL RESOURCES. Extension of remarks of Rep. Welch, Calif., urging conservation of our natural resources, making particular reference to forests and petroleum (pp. A4001-2).
43. SECTION 32 FUNDS. Extension of remarks of Rep. Murray, Wis., including statistics on imports and on FMA tobacco programs, discussing the various uses of Section 32 funds (pp. A3990-1, A3994-5).
44. AGRICULTURAL APPROPRIATIONS. Extension of remarks of Rep. Arnold, Mo., including his recent radio address and a Farm Journal editorial, urging cooperation

in reducing Federal expenditures and referring in particular to USDA appropriations (pp. A3996-7).

45. POTATOES; PRICE SUPPORTS. Sen. Johnston, S.C., inserted J.M. Eleazer's (Clemson S.C., A & M College) article explaining potato price supports and surpluses (p. A3998).

46. DAIRY PRICES. Rep. Knutson, Minn., inserted a constituent's letter urging investigation of the disparity between dairy prices and consumer prices (p. A3999).

47. MARKETING; NUTS. Rep. Norblad, Oreg., inserted a McMinville (Oreg.) Telephone Register editorial criticizing imports of nuts as they affect the domestic market (pp. A3988-9).

48. PERSONNEL. Rep. McDowell, Pa., inserted a Washington Evening Star editorial criticizing release of career Federal employees and retention of war-service appointees (p. A4000).

Rep. Devitt, Minn., inserted Joseph J. Tepley's analysis of the civil service retirement system and discussion on improvement (pp. A4003-5).

49. WOOL. Rep. Lane, Mass., inserted a Boston Wool Trade Assn. letter opposing wool price supports (p. A4020).

50. CONSUMER CREDIT. Speeches in the House by Rep. Crawford (Mich.) favoring and Reps. Buffett (Nebr.) and Sabath (Ill.) opposing the bill to terminate consumer credit controls (pp. A3986-7, A3987, A4014-5).

51. ST. LAWRENCE SEAWAY. Extension of remarks of Rep. Blatnik, Minn., favoring this project (pp. A4015-7).

52. FLOOD CONTROL. Rep. Price, Ill., inserted a table showing the death and damage in the Missouri and Mississippi floods (pp. A3995-6).

Speech in the House by Rep. Jensen, Iowa, urging action to prevent floods and the consequent soil erosion (pp. A4010-2).

53. RECLAMATION. Extension of remarks of Rep. Welch, Calif., supporting H.R. 2873, to amend the Reclamation Project Act (pp. A4002-3).

54. FOREIGN AFFAIRS. Speech in the House by Rep. Sabath, Ill., opposing H. Res. 296, to establish a Select Committee on Foreign Aid, and H. Res. 295, to authorize investigations by the Foreign Affairs Committee (pp. A4017, A4018).

- o -

COMMITTEE-HEARINGS ANNOUNCEMENTS for July 24: S. Public Lands, agricultural resources (FitzGerald to testify); Joint Committee on Economic Report, general discussion(ex.); S. Civil Service, employees loyalty bill; H. Appropriations, deficiency appropriation (ex.); H. Expenditures in Executive Departments, procurement and buildings use; H. Merchant Marine and Fisheries, Alaska problems; H. Foreign Affairs, international organizations (ex.);

- o -

For supplemental information and copies of legislative material referred to, call Ext. 4654, or send to Room 113 Adm. Arrangements may be made to be kept advised, routinely, of developments on any particular bill.

- oOo -

BILL PASSED OVER

The bill (S. 1644) to amend the Veterans' Preference Act of 1944, so as to admit rescission of prior agency action, was announced as next in order.

Mr. TAFT. Mr. President, I object to that bill on the request of the Senator from Minnesota [Mr. BALL].

The PRESIDENT pro tempore. The bill will be passed over.

ATTENDANCE OF MARINE BAND AT NATIONAL CONVENTION OF AMERICAN LEGION

The bill (S. 1633) to authorize the attendance of the Marine Band at the national convention of the American Legion to be held in New York, N. Y., August 28 to 31, 1947, was announced as next in order.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. IVES. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDENT pro tempore. The amendment will be stated.

The CHIEF CLERK. On page 1, line 6, following the figures "1947", it is proposed to substitute a comma for the period and insert "and to attend and perform in the parade of the Veterans of Foreign Wars of the United States in Cleveland, Ohio, on a date between September 4 to 9, 1947, to be selected by the Veterans of Foreign Wars"; on page 1, line 8, it is proposed to strike out before the comma "the parade", and substitute "such parades."

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from New York.

The amendment was agreed to.

The PRESIDENT pro tempore. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the President is authorized to permit the band of the United States Marine Corps to attend and perform in the parade of the American Legion to be held in New York, N. Y., on August 30, 1947, and to attend and perform in the parade of the Veterans of Foreign Wars of the United States in Cleveland, Ohio, on a date between September 4 to 9, 1947, to be selected by the Veterans of Foreign Wars.

SEC. 2. For the purpose of defraying the expenses of such band in attending and performing in the parade, there is hereby authorized to be appropriated a sufficient sum to cover the cost of transportation and pullman accommodations for the leaders and members of the Marine Band, and allowance not to exceed \$6 per day each for additional traveling and living expenses while on duty, such allowances to be in addition to the pay and allowance to which they would be entitled while serving their permanent station.

The title was amended so as to read: "A bill to authorize the attendance of the Marine Band at the National Convention of the American Legion to be held in New York, N. Y., August 28 to 31, 1947, and the National Convention of the Veterans of Foreign Wars of the United

States to be held in Cleveland, Ohio, September 4 to 9, 1947."

BILL PASSED OVER

The bill (H. R. 3051) to amend the act of July 19, 1940, and to amend sec. 2 and repeal the profit-limitation and certain other limiting provisions of the act of March 27, 1934, was announced as next in order.

Mr. LANGER. Mr. President, may we have an explanation?

Mr. MAGNUSON. I ask that the bill be passed over.

The PRESIDENT pro tempore. The bill will be passed over.

INACTIVE DUTY TRAINING PAY FOR THE ORGANIZED RESERVE CORPS

The bill (S. 1174) to provide for inactive duty training pay for the Organized Reserve Corps, to provide uniform standards for inactive duty training pay for all Reserve components of the armed forces, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 1 of the National Defense Act, as amended, be further amended by striking out the words "the Officers Reserve Corps, the Organized Reserves, and the Enlisted Reserve Corps," and inserting in lieu thereof the words "and the Organized Reserve Corps".

SEC. 2. That section 37a of the National Defense Act of 1916, as amended, is amended by deleting therefrom the following sentence: "A reserve officer shall not be entitled to pay and allowances except when on active duty."

SEC. 3. That section 14 of the Pay Readjustment Act of 1942, as amended, be amended to read as follows:

"SEC. 14. Reserve and National Guard personnel: (a) Officers, warrant officers, and enlisted personnel of the reserve components of any of the services mentioned in the title of this act, when on active duty in the service of the United States, shall be entitled to receive the same pay and allowances as are authorized for persons of corresponding grade and length of service in the Regular Army, Navy, Marine Corps, Coast Guard, or Public Health Service.

"(b) Officers, warrant officers, and enlisted personnel of the reserve components of any of the services mentioned in the title of this act, when participating in full-time training or other full-time duty (provided for or authorized in the National Defense Act, as amended, or in the Naval Reserve Act of 1938, as amended, or in other provisions of law, including participation in exercises or performance of the duties provided for by sections 94, 97, and 99 of the National Defense Act, as amended) shall receive the same pay, and allowances as are authorized for persons of corresponding grade and length of service in the Regular Army, Navy, Marine Corps, Coast Guard, or Public Health Service: *Provided*, That they may be given additional training or other duty as provided for by law, without pay, as may be authorized by the head of the Department concerned, with their consent, and when such authorized training or other duty without pay is performed they may in the discretion of the head of the Department concerned, be furnished with transportation to and from such duty, with subsistence en route, and, during the performance of such duty, be furnished with subsistence and quarters in kind or commutation thereof at a rate to be fixed from time to time by the head of the Department concerned.

"(c) Under such regulations as the head of the Department concerned may prescribe, and to the extent provided for by law and by appropriations, officers, warrant officers, and enlisted personnel of the National Guard of the United States, Organized Reserve Corps, Naval Reserve, and Marine Corps Reserve, shall receive compensation at the rate of one-thirtieth of the monthly base pay, including longevity pay, authorized for such persons when on active duty in the armed forces of the United States, for each regular period of instruction, or period of appropriate duty, at which they shall have been engaged for not less than 2 hours, including those performed on Sundays and holidays, or for the performance of such other equivalent training, instruction, or duty or appropriate duties as may be prescribed by the head of the Department concerned: *Provided*, That personnel required to perform aerial flights, parachute jumping, glider flights, or submarine duty shall receive the increases in pay provided for by law for personnel in such status: *Provided further*, That for each of the several classes of organizations prescribed for the National Guard of the United States, the Organized Reserve Corps, Naval Reserve, and Marine Corps Reserve, the rules applicable to each of which services and classes within services may differ, the head of the Department concerned: (1) Shall prescribe minimum standards which must be met before an assembly for drill or other equivalent period of training, instruction, or duty or appropriate duties may be credited for pay purposes, which minimum standards may require the presence for duty of officers and enlisted personnel equal to or in excess of a minimum number of percentage of unit strength for a specified period of time with participation in a prescribed character of training; (2) shall prescribe the maximum number of assemblies, or periods of other equivalent training, instruction, or duty or appropriate duties, which may be counted for pay purposes in each fiscal year; (3) shall prescribe the maximum number of assemblies, or periods of other equivalent training, instruction, or duty or appropriate duties, which can be counted for pay purposes in lesser periods of time; and (4) shall prescribe the minimum number of assemblies or periods of other equivalent training, instruction, or duty or appropriate duties, which must be completed in stated periods of time before the personnel of organizations or units can qualify for pay: *And provided further*, That the provision of this paragraph shall not apply when such persons are entitled to receive full pay and allowances as provided for in paragraphs (a) and (b) of this section.

"(d) In addition to pay provided in paragraph (c) of this section, officers of the National Guard of the United States, Organized Reserve Corps, Naval Reserve, and Marine Corps Reserve, commanding organizations having administrative functions connected therewith shall, whether or not such officers belong to such organizations, receive not more than \$240 a year for the faithful performance of such administrative functions under such regulations as the head of the Department concerned may prescribe; and for the purpose of determining how much shall be paid to such officers so performing such functions, the head of the Department concerned may, from time to time, divide them into classes and fix the amount payable to the officers in each class: *Provided*, That the provisions of this paragraph shall not apply when such persons are entitled to receive full pay and allowances as provided for in paragraphs (a) and (b) of this section."

SEC. 4. That section 55a of the National Defense Act of 1916, as amended, be amended to read as follows:

"SEC. 55a. Organized Reserve Corps—Organization and training: The Organized Reserve Corps shall include the personnel and units of the Officers Reserve Corps, the Enlisted Reserve Corps, and the Organized Reserves. The Secretary of War shall prescribe all necessary and proper regulations for the recruiting, organization, government, administration, training, inspection, and mobilization of the Organized Reserve Corps, and shall detail such officers and enlisted personnel of the Regular Army and Organized Reserve Corps, and shall make available such material, uniforms, arms, supplies, equipment, and other facilities of the Army, or procured from funds appropriated for the purpose as he may deem necessary and advisable for the development, training, instruction, and administration of the Organized Reserve Corps and the care of Government property issued to the members and units of the Organized Reserve Corps. Any or all members of the Organized Reserve Corps may be formed into military organizations, which in turn may be sponsored by civilian organizations as affiliated units.

"Organized Reserve Corps units will be of three classes, varying in degree of organization, as follows:

"1. Those combat and service type organized with a full complement of officers and men: *Provided*, That there will be included in this category only those units which are considered necessary for prompt mobilization.

"2. Those combat and service types generally organized with a full complement of officers and an enlisted cadre.

"3. Those combat and service types generally organized with a full complement of officers only.

"Under such regulation as the Secretary of War may prescribe, personnel of the Organized Reserve Corps shall assemble for drill, training, instruction, or other duty and shall participate in encampments, maneuvers, or other exercises: *Provided*, That assemblies for such duty under such regulations for members of the Organized Reserve Corps assigned to fully organized units shall be on the same minimum basis as now or hereafter prescribed for the National Guard: *Provided further*, That other units of the Organized Reserve Corps may be assembled, under such regulations, for such duty; however, personnel of these units may not receive pay in any one fiscal year for a total number of regular periods of instruction, or periods of appropriate duty, at which they shall have been engaged for not less than 2 hours, or for the performance of such other equivalent training, instruction, or duty or appropriate duties as may be prescribed by the Secretary of War in accordance with subsection (c), section 14, Pay Readjustment Act of 1942, as amended, in excess of 50 percent of the number of such assemblies authorized for personnel assigned to similar positions in the National Guard: *Provided further*, That members of the Organized Reserve Corps not assigned to table of organization units may be required to perform duties as prescribed by such regulations and, receive credit for regular periods of instruction of duty, for pay purposes, up to the same maximum as prescribed herein for members of units of the Organized Reserve Corps, other than fully organized type units: *And provided further*, That members of the Organized Reserve Corps classified in scientific or specialist categories, or members of the Organized Reserve Corps, whether or not assigned to a unit, who, under regulations prescribed by the Secretary of War, are designated for a mobilization day assignment, may be required to perform duties as prescribed by such regulations and receive credit for regular drill periods for pay purposes on the same minimum basis as prescribed herein for members of the Organized Reserve Corps in fully organized type units.

"Under such regulations as the Secretary of War may prescribe, personnel of the Organized Reserve Corps may receive compensation as provided in section 14 of the Pay Readjustment Act of 1942, as amended, for attending periods of instruction, or periods of appropriate duty, duly prescribed under the authority of the Secretary of War, including those performed on Sundays and holidays, or for the performance of such other equivalent training, instruction, or duty or appropriate duties, as may be prescribed by the Secretary of War.

"Members of the Organized Reserve Corps in receipt of pay for the performance of drills, or other equivalent training, instruction, or duty or appropriate duties, may be required to perform such active duty or training duty, not to exceed 15 days annually, as may be prescribed by the Secretary of War: *Provided*, That they may be given additional training or other duty, either with or without pay, as may be authorized, with their consent, by direction of the Secretary of War: *Provided further*, That when authorized training or other duty without pay is performed by members of the Organized Reserve Corps they may in the discretion of the Secretary of War be furnished with transportation to and from such duty, with subsistence en route, and, during the performance of such duty, be furnished subsistence and quarters in kind or commutation thereof at a rate to be fixed from time to time by the head of the department concerned."

SEC. 5. (a) That section 92 of the National Defense Act of 1916, as amended, be further amended by changing the period at the end of said section to a colon and adding the following: "*Provided further*, That members of the National Guard of the United States may be given additional training or other duty, either with or without pay, as may be authorized, with their consent, by direction of the Secretary of War: *And provided further*, That when authorized training or other duty without pay is performed by members of the National Guard of the United States they may in the discretion of the Secretary of War be furnished with transportation to and from such duty, with subsistence en route, and, during the performance of such duty, be furnished subsistence and quarters in kind or commutation thereof at a rate to be fixed from time to time by the Secretary of War."

(b) That the portion of section 109 of the National Defense Act, as amended, which precedes the final proviso of such section, be amended to read as follows:

"SEC. 109. Pay for National Guard officers: Under such regulations as the Secretary of War may prescribe, officers and warrant officers of the National Guard of the United States may receive compensation as provided in section 14 of the Pay Readjustment Act of 1942, as amended, for attending regular periods of instruction, or periods of appropriate duty, duly prescribed under the authority of the Secretary of War, including drills performed on Sundays and holidays, or for the performance of such other equivalent, training, instruction, or duty or appropriate duties, as may be prescribed by the Secretary of War."

(c) That the portion of section 110 of the National Defense Act, as amended, which precedes the first proviso of such section, be amended to read as follows:

"SEC. 110. Pay for National Guard enlisted men: Under such regulations as the Secretary of War may prescribe, enlisted men of the National Guard of the United States may receive compensation as provided in section 14 of the Pay Readjustment Act of 1942, as amended, for attending regular periods of duty and instruction duly prescribed under the authority of the Secretary of War, including those performed on Sundays and holidays."

BILLS PASSED OVER

The bill (S. 1675) to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes, was announced as next in order.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. TAFT. May we have an explanation, Mr. President?

The PRESIDENT pro tempore. The Chair suggests that the bill be passed over temporarily, without prejudice, in response to the request made by the Senator from South Dakota before he left the floor.

The bill (S. 1676) to authorize the Secretary of War to proceed with construction at military installations, and for other purposes, was announced as next in order.

Mr. TAFT. Mr. President, I suggest that we adopt the same procedure as to this bill.

The PRESIDENT pro tempore. In accordance with the procedure on the preceding bill, this bill will be passed over temporarily, without prejudice.

ROMAN TOPOROW

Mr. WILEY. Mr. President, I am required to leave the Chamber to go to the Rules and Administration Committee. I ask unanimous consent that the Senate now proceed to the consideration of Senate bill 1674, Calendar No. 690, a bill for the relief of Roman Toporow. It is an immigration bill, and there is a companion House bill.

The PRESIDENT pro tempore laid before the Senate the bill (H. R. 3243) for the relief of Roman Toporow, which was read twice by its title.

Mr. WILEY. Mr. President, I ask that the House bill be considered at this time.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the bill (H. R. 3243) was considered, ordered to a third reading, read the third time, and passed.

The PRESIDENT pro tempore. Without objection, Senate bill 1674 will be indefinitely postponed.

RETURN OF RETIREMENT DEDUCTIONS FROM COMPENSATION OF EMPLOYEES SEPARATED FROM THE SERVICE

The bill (H. R. 1995) to amend the Civil Service Retirement Act of May 29, 1930, as amended, to provide for the return of the amount of deductions from the compensation of any employee who is separated from the service or transferred to a position not within the purview of such act before completing 10 years of service was announced as next in order.

Mr. TAFT. May we have an explanation of the bill, Mr. President?

Mr. O'CONOR. Mr. President, the purpose of this bill is to provide that employees in the civil service who are separated from the Government service and who have not completed 10 years of service, may withdraw their contributions to the retirement fund.

Mr. TAFT. How would the bill change the present law?

Mr. O'CONOR. The present law provides a limit of 5 years. Under this bill, those who have served between 5 and 10 years would be eligible. The result would be a saving to the country, because otherwise such persons would have a right to receive an annuity.

Mr. TAFT. Would they receive interest?

Mr. O'CONOR. Yes; at 4 percent.

Mr. TAFT. I have no objection.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 1995) was considered, ordered to a third reading, read the third time, and passed.

SALE OF LAND IN POLSON, MONT.

The Senate proceeded to consider the bill (S. 1507) authorizing the sale of undisposed of lots in Michel addition to the town of Polson, Mont., which had been reported from the Committee on Public Lands with an amendment, to strike out all after the enacting clause and to insert the following:

That the Secretary of the Interior is authorized and directed to sell, under existing rules and regulations, the undisposed of lots in blocks 3, 4, and 5 in the Michel addition to the city of Polson, Mont., said lots being embraced in the trust allotment of Angeline Michel, deceased, Flathead allottee No. 1914.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

PAY OF FEDERAL EMPLOYEES OF THE PANAMA RAILROAD

The Senate proceeded to consider the bill (S. 1416) to amend section 203 of the Federal Employees Pay Act of 1945, which was read, as follows:

Be it enacted, etc. That paragraph 1, section 203, of the Federal Employees Pay Act of 1945 be amended by adding after "(U. S. C., 1940 ed., title 5, sec. 673c)" the following: "Provided further, That such employees of the Panama Railroad Company on the Isthmus of Panama shall have their basic rates of pay adjusted in accordance with the act of March 28, 1934 (title II, sec. 23)."

Mr. WHERRY. May we have an explanation?

Mr. JOHNSON of Colorado. The bill affects only the railroad employees of the Panama Railroad in the Canal Zone.

Mr. WHERRY. I have no objection.

The PRESIDENT pro tempore. The Senator from Colorado has an amendment at the desk.

Mr. JOHNSON of Colorado. Mr. President, I call up the amendment. It is a technical amendment that does not affect the scope of the bill.

The PRESIDENT pro tempore. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 1, line 8, after the word "adjusted", it is proposed to insert "(so as to provide rates not lower than necessary to restore the full weekly earnings of such employees in accordance with the full-time weekly earnings under the respective wage schedules in effect on June 30, 1945, plus any increases in such rates granted subsequent to such date)."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CLAIMS FOR PREFERENCE UNDER CIVIL SERVICE LAW

The Senate proceeded to consider the bill (S. 1493) to amend sec. 19 of the Veterans' Preference Act of June 27, 1944, and for other purposes, which was read, as follows:

Be it enacted, etc. That the final period in section 19 of the Veterans' Preference Act of 1944 (58 Stat. 387), be changed to a semicolon and that the following be added thereto: "Provided, That any recommendation by the Civil Service Commission, submitted to any Federal agency, on the basis of the appeal of any preference eligible, employee or former employee, shall be complied with by such agency."

Mr. LUCAS. Mr. President, will the Senator from North Dakota give us an explanation of the bill?

Mr. LANGER. Mr. President, this provides for a case where a veteran or any other civil-service employee having a preference right makes an appeal, and the Civil Service Commission makes an order. It provides that the order shall be complied with by the Federal agencies.

The PRESIDENT pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. TAFT subsequently said: Mr. President, I ask unanimous consent to return to order of business 665, Senate bill 1493. I find that I have been requested by the Senator from Minnesota to object to the bill, and I do object to it now.

The PRESIDENT pro tempore. Without objection, the votes by which the bill was ordered to be engrossed for a third reading, read the third time, and passed, are reconsidered, and the bill will be passed over.

COMMEMORATIVE OF SERVICES OF GEN. MAURICE ROSE

The bill (S. 1614) to authorize the coinage of 50-cent pieces to commemorate the patriotic service of Gen. Maurice Rose, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc. That to commemorate the life and the gallant military services of the late Gen. Maurice Rose, who sacrificed his life for the American victory against the Nazis in World War II, and to aid in constructing and equipping the General Rose Memorial Hospital, in Denver, Colo., as a national patriotic shrine, there shall be coined by the Director of the Mint not exceeding 500,000 silver 50-cent pieces of standard size, weight, and fineness and of a special appropriate design to be fixed by the Director of the Mint, with the approval of the Secretary of the Treasury, but the United States shall not be subject to the expense of making the models for master dies or other preparations for their coinage.

SEC. 2. The coins herein authorized shall be issued at par and only upon the request of the General Rose Memorial Hospital Association founded for the purpose of perpetuating the patriotic services of Gen. Maurice Rose and the construction and maintenance of said hospital as a patriotic shrine.

SEC. 3. Such coins may be disposed of at par or at a premium by such banks or trust companies, or other financial institutions, selected by the General Rose Memorial Hospital Association, and all proceeds thereof shall be used to maintain and preserve as a suitable memorial the General Rose Hospital, at Denver, Colo., and as may be decided upon by the General Rose Hospital Association.

SEC. 4. The coins authorized herein shall be issued in such numbers, and at such times, as shall be requested by the General Rose Memorial Hospital Association, and upon payment to the United States of the face value of such coins: *Provided*, That none of such coins shall be issued after the expiration of the 5-year period immediately following the enactment of this act.

SEC. 5. That all laws now in force relating to the subsidiary silver coins of the United States and the coining or striking of the same; regulating and guarding the process of coinage; providing for the purchase of material, and for the transportation, distribution, and redemption of the coins; for the prevention of debasement or counterfeiting; for security of the coin; or for any other purposes, whether said laws are penal or otherwise, shall, as far as applicable, apply to the coinage herein directed.

Mr. TAFT. Mr. President, I do not know that I care to object to any of these coinage bills, but it seems to me the practice is going to an extent that we cannot justify. Of course, many want special coins struck off because they make money out of them. They get the 50-cent piece and sell it for a dollar, and those who get the benefits, who are running the shows or celebrations, no matter how meritorious, make a profit of 50 cents. So long as that is being done, we are going to be flooded with applications of this kind. I think that if we send them all over to the House, the House will turn them all down, but I think it is a little unjust to put the burden on the House.

Mr. LUCAS. Mr. President, I agree with the Senator that if we start such a procedure as that contemplated by bills of this character on the calendar there will never be an end to it, because every community throughout the Nation will come forward and ask for this kind of preference so far as coinage is concerned. I think it is an exceedingly bad precedent.

Mr. TAFT. If we should pass a law providing that any profit should be returned to the Government, and the communities would merely have the benefit of having a silver 50-cent piece to commemorate some important occasion, I do not think there would be any such demand for the coinage. It is because a profit is to be made on the sale of the coins that a large demand is made for them.

Mr. FLANDERS. Mr. President, the suggestion was made that if we once started this practice there would be no end to it. I wish to say that we have already started it.

With regard to the cost to the Government, there is no cost, because the seigniorage element in the coinage of silver more than reimburses the cost, and provides the Government a comfortable profit on the transaction.

I may say that personally I am disturbed by the fact that we did begin this practice. I held my thumb in the dike as long as I could, but it got too cold or too hot for me, I forget which, the dike

is broken, and the bills are coming through.

There is no good reason for refusing any of them if we permit one to go through. The Senate has already passed three such bills. I do not see how it can refuse to pass the other six, and leave the matter in the hands of the President of the United States.

COIN COMMEMORATING ONE HUNDREDTH ANNIVERSARY OF THE ORGANIZATION OF MINNESOTA AS TERRITORY

The bill (S. 1304) to authorize the coinage of 50-cent pieces in commemoration of the one hundredth anniversary of the organization of Minnesota as a Territory of the United States was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, in commemoration of the one-hundredth anniversary of the organization of Minnesota as a Territory of the United States, there shall be coined not to exceed 150,000 silver 50-cent pieces of standard size, weight, and composition, and of a special appropriate design to be fixed by the Director of the Mint, with the approval of the Secretary of the Treasury; but the United States shall not be subject to the expense of making the necessary dies and other preparations for such coinage.

SEC. 2. The coins herein authorized shall bear the date of the year in which they are minted, shall be legal tender to the amount of their face value, and shall be issued only upon the request of the Minnesota Historical Society, the duly authorized representative of the State of Minnesota, or its legal representatives, upon the payment by it of the par value of such coins. Such coins shall be issued in such numbers and at such times during the calendar year 1949 as shall be requested by such Minnesota Historical Society and may be disposed of at par or at a premium, and the net proceeds shall be used for the observation of the centennial as directed by the Minnesota Historical Society or its legal representatives.

SEC. 3. All laws now in force relating to the subsidiary silver coins of the United States and the coining or striking of the same; regulating and guarding the process of coinage; providing for the purchase of material, and for the transportation, distribution, and redemption of coins, for the prevention of debasement or counterfeiting; for the security of the coins, or for any other purpose, whether such laws are penal or otherwise, shall, so far as applicable, apply to the coinage herein authorized.

MOUNT RUSHMORE NATIONAL MEMORIAL

The bill (S. 1042) to provide for the completion of Mount Rushmore National Memorial and the financing thereof by issuance of a special coin was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That to complete the Mount Rushmore National Memorial and to commemorate the lives and perpetuate the ideals of the four Presidents of the United States there sculptured—George Washington, Thomas Jefferson, Abraham Lincoln, and Theodore Roosevelt—there shall be coined by the Director of the Mint not to exceed 2,000,000 silver 50-cent pieces of standard size, weight, and fineness and of a special appropriate design carrying a replica of the memorial to be fixed by the Director of the Mint, with the approval of the Secretary of the Treasury and the Secretary of the Interior. The United States shall not be subject to the expense of making the models for

master dies or other preparations for this coinage but may accept the services to be provided by the Mount Rushmore National Memorial Society therefor and may accept such other services as may be contributed in carrying out the provisions of this Act.

SEC. 2. The coins herein authorized shall be issued at par, and only upon the request of the Mount Rushmore National Memorial Society, incorporated under the laws of the State of South Dakota.

SEC. 3. Such coins may be disposed of at par or at a premium by banks or trust companies selected by the said Mount Rushmore National Memorial Society or at the studio of the Mount Rushmore National Memorial, and all proceeds therefrom shall be used for the following purposes: (1) To provide additional parking space in the Mount Rushmore Reserve and adequate comfort and sanitary facilities for visitors; (2) to complete the monument as originally conceived by the sculptor Gutzon Borglum as specified by the models in the administration building maintained by the National Park Service at the memorial, such completion to be under the direction of Lincoln Borglum under the general supervision of the National Park Service; (3) to remove debris at the base of Rushmore Mountain; all such expenditures and construction to be under the supervision of the National Park Service.

SEC. 4. All laws now in force relating to the subsidiary silver coins of the United States and the coining or striking of the same; regulating and guarding the process of coinage; providing for the purchase of material, and for the transportation, distribution, and redemption of coins; for the prevention of debasement or counterfeiting; for the security of the coins, or for any other purpose, whether such laws are penal or otherwise, shall, so far as applicable, apply to the coinage herein authorized.

SEC. 5. The coins authorized herein shall be issued in such numbers and at such times as shall be requested by the Mount Rushmore National Memorial Society and upon payment to the United States of the face value of such coins: *Provided*, That none of such coins shall be issued after the expiration of a 10-year period immediately following the enactment of this Act.

OREGON TRAIL COMMEMORATIVE COINS

The bill (S. 722), to authorize the issuance of Oregon Trail commemorative 50-cent pieces to the Oregon Trail Monument Association, Idaho Unit, Inc., was announced as next in order.

The PRESIDENT pro tempore. Is there objection to the consideration of the bill?

Mr. FULBRIGHT. Mr. President, I wish to add a word to what has been said about these coinage bills. The Senator from Vermont a few days ago opposed all these bills, if I understood him correctly. I thought he was getting ready to object today. Is it his position now that since we passed one for Wisconsin we should pass every one that is submitted?

Mr. FLANDERS. Mr. President, I shall be glad to submit a statement of the circumstances regarding the interesting situation in which we find ourselves.

The Committee on Banking and Currency held up all these bills. The House passed a bill for the issuance of a coin to celebrate the hundredth anniversary of the admission of Wisconsin into the Union. The Committee on Banking and Currency voted to report the bill. Having done that, it did not seem to me to be right, just, or defensible to hold up the other bills.

Mr. FULBRIGHT. It was done over the opposition of the Senator from Vermont, as I recall.

The PRESIDENT pro tempore. Is there objection to the consideration of Senate bill 722?

There being no objection, the bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That notwithstanding the provisions of the act entitled "An act to prohibit the issuance and coinage of certain commemorative coins, and for other purposes," approved August 5, 1939, the Director of the Mint is authorized and directed to coin and to issue to any duly authorized representative of the Oregon Trail Monument Association, Idaho Unit, Inc., the unissued balance of the 50-cent pieces authorized to be issued by the act of May 17, 1926 (44 Stat. 559), providing for the coinage and issuance of Oregon Trail commemorative 50-cent pieces.

SEC. 2. Except as otherwise provided in this act, the provisions of such act of May 17, 1926, shall apply to the coining and issuing of 50-cent pieces issued under authority of this act.

COIN COMMEMORATING TWO HUNDREDTH ANNIVERSARY OF FOUNDING OF READING, PA.

The bill (S. 342) to authorize the coinage of 50-cent pieces in commemoration of the two hundredth anniversary of the founding of the city of Reading, Pa., was announced as next in order.

Mr. FULBRIGHT. I object.

Mr. MYERS. Mr. President—

Mr. FULBRIGHT. I object to all of them.

The PRESIDENT pro tempore. The Senator from Pennsylvania is recognized.

Mr. MYERS. Mr. President, objection has been made to Senate bill 342. Let me say that in the beginning of this session I introduced this bill, and when I was informed by the chairman of the subcommittee of the Committee on Banking and Currency that certain bills had been reported favorably by the committee, I asked if my bill could be reported, and it was reported by the subcommittee. Thereafter I was informed by the chairman of the subcommittee that when the bills went to the full committee they were all referred back, and that medals were to be struck instead of 50-cent pieces. Thereafter I did not press my bill. But when I saw on the calendar a few days ago three or four similar bills providing for the coinage of special 50-cent pieces—

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. MYERS. I am happy to yield.

Mr. FULBRIGHT. I did not realize that all these bills were on the calendar. I ask unanimous consent that we return to all these coinage bills that have been passed. I think this practice is silly. I did not know we were getting down to villages and individuals. I remember the argument that was advanced by the senior Senator from Wisconsin that they were going to limit it to only hundredth anniversaries of the entrance of States into the Union. I was not on the subcommittee, and this is the first I have heard of this bill for the issuance of a coin to commemorate the founding of Reading, Pa. How many cities are there

tion of the period that ought to be fixed for the return of the power investment and because it had in mind, the gentlemen from California have pointed out in part, that allowance must be made for such intangibles as physical, economic, and social changes which cannot, of course, be predicted with certainty. I hope that, as my colleague Mr. McDONOUGH has pointed out and as my colleague Mr. PHILLIPS has hinted, we are on the verge of the development of electrical energy through some application of atomic power. Not being, however, as expert on the subject of atomic development as my colleague Mr. McDONOUGH appears to be, I would hesitate greatly to say to this House, as he has said, that it is a 'virtual certainty that energy will be generated on a large scale by atomic plants before this 78-year period has more than one-third run its course.' My colleague Mr. McDONOUGH would have us believe that in 26 years from now electrical energy will be generated on a large scale by atomic power plants. I hope he is right, for I know that there is a great shortage of electrical energy in this country, a shortage which is being met in part by the wasteful use of our petroleum resources. I have spoken on that point from time to time in this body. I hope that through the further development of hydroelectric plants, and if you please, through the development of atomic plants, we shall find a way to stop the wasteful burning up of our rapidly dwindling petroleum resources. I am not prepared to say, however, that atomic power plants will be producing on a large scale 26 years from now. I am prepared to say that, even if they are producing such energy 26 years from now or at any time, the demand for electrical energy is such in this country that we can absorb that energy as well as all the energy that can be produced at Federal reclamation projects in the West.

To sum up, Mr. Speaker, there is no basis for analogy by my colleagues between the Boulder Canyon project and Federal reclamation projects governed by the Reclamation Project Act of 1939. The Reclamation Project Act of 1939 does not now prescribe a 50-year period within which power costs should be returned. The 78-year period arrived at by my committee, after extended consideration, is a conservative period which every Member of this House ought to approve.

Mr. Speaker, the question resolves itself as to whether the byproduct of great public works should inure to the benefit of all the people as provided for in H. R. 2873. As it is primarily a western question it is one for the West to decide.

United States Civil Service Commission Retirement System

EXTENSION OF REMARKS OF

HON. EDWARD J. DEVITT

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 21, 1947

Mr. DEVITT. Mr. Speaker, this week the Congress has before it several com-

mendable bills which affect the Civil Service retirement system and the lives of thousands of present and retired Federal employees. While consideration is being given these bills, I urge that the Members read the following analysis of a plan for more efficiency and economy in Government by improving retirement information and services to field service employees, prepared by Joseph J. Tepley of St. Paul, Minn., a constituent of mine. Mr. Tepley should be commended for his efforts and research in devising this plan. It should be adopted by the United States Civil Service Commission in the administration of the present or any new civil-service laws. The analysis follows:

UNITED STATES CIVIL SERVICE COMMISSION RETIREMENT SYSTEM

FOREWORD

A prevalent lack of understanding of regulations governing the retirement system administered by the United States Civil Service Commission for the benefit of Federal Government employees has resulted in numerous instances of loss of benefits or delay in adjustments which worked to the disadvantage of present or former civil-service field workers. Investigation through contact with personnel in various Government agencies has disclosed a universal lack of interest in the retirement system because of ignorance of how the regulations apply to the individual employee. Documentary evidence and interviews developed case histories of employees who have suffered financial loss. Supervisory personnel could give no effective assistance because even highly placed administrators in various agencies and field branches lack the required information and authority to implement required action. In many instances direct contact with the Civil Service Commission has failed to produce results to the advantage of the employee because the Commission lacks facilities for disposal of the large volume of cases and the absence of an organizational structure extending to the local level to permit efficient clearance of a multiplicity of detail and prompt, decisive action. Numerous other functions of the Commission are performed efficiently and Government employees are kept fully informed as to the regulations and are assisted in conforming advantageously to the requirements. By some misadventure, however, dissemination to the field-service employee of essential information concerning the retirement system is lacking. It should be borne in mind that the retirement fund is accumulated from payments made by Federal employees and since this is their money, the employees are entitled to prompt, courteous, and accurate information service. An efficient and economical method of enabling the employee to obtain full benefit from the retirement system, and an attendant betterment of morale, is provided by the plan herein submitted.

JOSEPH J. TEPLEY.

ST. PAUL, MINN., July 1947.

THE RETIREMENT SYSTEM

The civil-service retirement law of August 1, 1920, with subsequent amendments, is administered by the United States Civil Service Commission. The Handbook for Commission Employees, on page 52, lists ten principal activities of which two pertain to the retirement system. These are: "Maintain service records of Federal employees," and "administer the Civil Service Retirement Act."

In describing the organization and functions of the Commission, the handbook on page 51 cites details of the location and types of agencies and jurisdiction over field branches of Federal agencies, 5,000 boards of examiners and rating boards of navy yards, arsenals, and similar Federal establishments, of the Commission's 14 regional offices. It states that each regional office, in addition to

other functions, shall disseminate civil-service information.

Conspicuous by its absence is any mention of the retirement system as being involved in any of the functions of the regional offices which act as an integral part of the Commission's decentralized field organization for serving effectively, economically, and expeditiously the various field branches of Federal agencies.

(NOTE.—The inability of field-service employees to readily obtain official information and service locally obviously is due to the lack of provision for such service. It is a logical assumption, therefore, that the root of the trouble afflicting administration of the retirement system is due in large part to restricted service on the local level and to the lack of clear channels to higher levels of administration where the authority for decision and effective action is possessed.)

CURRENT STATISTICS

Provisions of the retirement law authorize the establishment of a fund, held in custody by the Federal Government, for the payment of benefits to civil-service employees and for the allocation to that fund of 5 percent of the employees' salaries.

As of the close of 1946, more than 2,000,000 Federal employees were covered by the law. More than 200,000 employees have retired in accordance with provisions of the law since 1920, and currently approximately 105,000 are on the retirement roll. The retirement fund now amounts to more than \$2,250,000,000.

The system as now constituted is most liberal in its application and extensive in its coverage. The magnitude of the task of administration is indicated by the following comparison of claims processed:

Type of case	Processed, 1940	1946	
		Processed	Pending
Annuity.....	8,083	18,508	5,319
Refund.....	15,629	1,534,533	75,407
Death.....	6,711	23,461	5,886

NOTE.—Sharp reductions in Federal employment increase the number of refund cases and consequently the problem of administration.

THE PROBLEM

Ours undoubtedly is the most liberal and far-reaching of any retirement system, but it can be truly beneficial only insofar as every employee may enjoy equal advantage under it. Unfortunately many employees fail to avail themselves of the maximum benefits because they have not been informed as to how the regulations apply to them. Their ignorance, due to no fault of their own, occasions indifference. Adequate information service simply does not exist, as a study of case histories emphasizes. All too many employees do not know what they are missing and all too many times when they do find out, they cannot learn how to proceed to obtain benefits or avoid unnecessary loss.

Private insurance companies have trained specialists who advise their clients by local contact. The Federal Government does not give such service. The 14 regional offices of the Civil Service Commission do not keep the employees informed as to the retirement regulations. They have not been delegated such duty. Mandatory dissemination of pertinent information to awaken the employee to his opportunity to take advantage of beneficial provisions and changes in regulations has not been required.

It is a fact that many employees in numerous Federal agencies have worked for years without receiving little more information about the retirement system than that the 5-percent deduction from their salaries goes into a fund from which they are eligible to benefit after separation from Government service. They are not informed that if they do not make certain applications, file certain documents and act within certain time limitations dependent upon various, and fre-

quently varying, conditions of their employment they may suffer loss of benefits.

It is noteworthy that this lack of affirmative action to keep employees informed concerning the retirement system does not apply to numerous other phases of civil-service employment. The administration of civil service down through the local level is uniformly excellent.

The tremendous turnover in Federal employment both of officials and subordinate employees throughout the various Government agencies is an important contributing factor. This condition was especially bad during the depression and war years. Officials too frequently had insufficient time in which to inform themselves and the working forces under their supervision as to the retirement system. But still, today, the employee generally is not being given the necessary information and no provision under any systematic procedure has been made to give such service.

Regional civil-service offices have available only very general retirement information. They exercise no jurisdiction over the retirement system in the various field branches of Federal agencies within the region comparable with the supervisory authority delegated them relative to other civil-service activities.

There are no mandatory programs for local instruction of employees relative to their retirement rights or obligations. Field agency administrative personnel is not trained to disseminate such information. Employees are not being furnished with written guides or bulletins, or informed through agency-initiated interviews, group meetings or otherwise.

The employee also is hampered, even when fairly well informed as to a specific situation, by the absence of smooth channeling of pertinent official records relating to the individual. Some agencies have not been required to maintain employee retirement salary deduction basic records and transfer of the employee to one or more other agencies as a result frequently causes confusion and delay, and too many times loss of benefits. The basic records could be made available in Civil Service Commission headquarters but time and expense would prohibit the vast majority of employees from presenting their case in person in Washington, D. C.

War veterans know they have certain employment priority rights. Few of them have had an opportunity to learn of disability benefits under the retirement system. Total disability annuity after 5 years of service is provided for but claim must be made before separation from civil-service employment or within 6 months thereafter, cases of mental incompetency being the only exception to the rule. Neither do veterans generally know that a disability pension from the Veterans' Administration does not necessarily bar civil-service retirement disability benefits. Five years of creditable service may include honorable service in the armed forces. Few know that retirement rights of a civilian employee entering military service are protected.

Numerous other obscure instances of retirement benefit rights could be cited but the average employee does not have easy access to such information. The Civil Service Commission pamphlet on the retirement system contains general information and the law itself covers the subject. An expert study and interpretation of the regulations would be required, however, to permit the average employee to apply the provisions accurately to his own case. Lacking adequate guidance, therefore, the employee's potential benefits are in jeopardy and since the essential information is not available locally, the employees prevailing indifference is understandable. And even when the employee does become aware of potential benefits, the

task of developing the case through the existing clogged channels to higher jurisdiction in all too many instances becomes monumental. Then discouragement often results in abandonment of the claim.

Employees in private industry covered by the Social Security Act have official information service easily available locally. The Veterans' Administration insurance and other divisions have been decentralized to branch and regional offices to improve efficiency and effect economies and better service to the individual veteran. Readily available information on the retirement system as well as on insurance problems is vital to the 800,000 veterans now in civilian Federal service. The Government, in fairness, is obligated to provide them with adequate information on retirement benefits for which they are eligible comparable to that relating to Government insurance and to that afforded industrial workers in social-security status.

Employee morale is an all-important factor contributing to efficiency in any type of employment. An employee who is investing in retirement protection but who is unable to learn essential facts about his investment, his status, and his privileges is bound to be uneasy, unhappy, and dissatisfied in his Federal job, especially if he loses benefits through failure to take advantage of many very desirable privileges under the law because he is uninformed.

CASE HISTORIES

A study of case histories discloses the extreme difficulty encountered by employees in their attempt to ascertain their status under the retirement system, available plans for their benefit, alternatives which can be exercised on separation from Government service, voluntary contributions to their retirement-fund accounts, and other problems. In numerous instances decisive action was not obtained, employees became discouraged, and claims were abandoned.

Several facts are outstanding in a large number of field-service workers case histories. No helpful information pertaining to individual accounts was secured from the Civil Service Commission. Answers from the Commission consisted of form letters, pamphlets containing only general information, various blank forms, etc. Also significant was the delay in answering inquiries. Employees who had worked for several Federal agencies ran into a blank wall when they attempted to ascertain their status under the retirement system, based on total creditable service.

The following summaries are typical of numerous case histories studied:

1. A woman employee at Fort Snelling, Minn., resigned from service on November 17, 1945. Thirteen months passed without determination of her claim, and in desperation she telegraphed her Congressman on February 24, 1947, stating: "Resigned from civil service Fort Snelling, Minn., November 17, 1945. No action taken on refund of retirement fund. Husband passed away recently. Need money desperately."

2. World War II veteran, Department of Agriculture employee before and following military service; later transferred to Veterans' Administration, where presently employed; career employee; wrote Civil Service Commission April 30, 1945, indicating desire to make deposits for previous creditable service for which salary deductions were not made; requested retirement status during military service, and asked for statement of cost to bring his retirement account to date. On August 15, 1945, received mimeographed response instructing him to forward an enclosed application form "through official channels." There being no local official with whom he could discuss his case, he abandoned the adjustment attempt.

3. Woman career employee, Office of Price Administration, wrote Commission January 10, 1946, inquiring concerning her designation of beneficiary, and for information on total creditable service. On January 23, 1946, received unsigned reply typed on reverse side of her letter. Her request concerning designation of beneficiary was completely ignored. Instruction to contact the administrative office of her agency was confusing, since at least one of the former agencies where she had been employed had been abolished. Having been separated from service three times, she was bewildered at being told the Commission maintained no record of her deductions, while at the same time the reply stated such records were forwarded to the Commission in cases of separation from service. She abandoned her effort.

Other case histories studied disclosed the inability of the Commission to forward individually prepared replies; individual retirement account cards not available in Commission files; omission in Commission replies of answers to specific inquiries; lack of provision for obtaining information locally; and the exhaustive flow of correspondence required to obtain even incomplete information. The study produced forceful evidence of the urgent need for revision of the retirement-system regulations to provide field employees, by means of mandatory agency-initiated interviews, with easily understood information and by making easily available at all times complete and specific information relative to the status of the employee's individual account, total creditable service, and privileges or options the employee might exercise in order to obtain maximum benefits and protection under the Retirement Act.

THE SOLUTION

Establishment of information and advisory service at the local level with a grant of authority to civil service regional offices to originate action and clear cases for final decision and disposal by the Civil Service Commission would provide a solution of the operational problem which is harmfully handicapping field service employees in their efforts to benefit fully from the retirement system.

Underlying and outstanding in all of the difficulties encountered by the employee in attempting to obtain equitable application of Retirement Act provisions to individual cases is the appalling lack of readily available, personally explained and easily understood information pertaining to the individual account. There is a way to provide this vital and urgently needed information effectively, economically, and expeditiously with equal advantage and availability to each employee.

The method recommended is reorganization in such manner that the Civil Service Commission would decentralize retirement system operating functions and services to each of its 14 regional Civil Service Offices throughout the country and thereby provide clear channels for expeditious disposition of cases easily developed at the local level through comprehensive information and advisory service.

The regional offices for many years have acted as "integral part(s) of the Commission's decentralized field organization for serving effectively, economically, and expeditiously the various field branches of Federal agencies," as stated on page 51, Handbook for Commission Employees, in all phases of the Commission's activities except the retirement system. These functions of the Commission and its 14 regional offices—authority to recruit, classify, promote, hold examinations, etc. for civil-service employees—were further decentralized recently to the countless field branches of Federal agencies by Executive Order No. 9830 is-

sued February 24, 1947, and effective May 1, 1947.

Inasmuch as the Commission has decentralized most of its operating functions to improve services other than retirement to field agencies and their employees, it seems appropriate and logical that the Commission should apply the same principle of decentralization to administration of the retirement system.

This essential improvement could be made with only slight modification of existing retirement system regulations. Such changes would be fundamental in solving the problem existing by reason of inadequate and unequal retirement information and case processing service now available to field service employees.

Following is an outline of a decentralization plan providing for more efficiency and economy in Government through adequate dissemination of information and advisory service for field service employees:

Administration and general policy-making authority for the retirement system should remain with the Commission headquarters in Washington to insure uniform Nation-wide performance and service to all Federal employees. Operating functions and services decentralized to each regional Civil Service office should include mandatory programs and procedures, promulgated by the Commission, for more widespread dissemination of official retirement information.

Each of the Commission's 14 regional offices, which are located in principal cities, would have jurisdiction over field retirement-system activities and be responsible for dissemination of retirement information throughout the geographic area of the region, and act as an integral part of the Commission's decentralized field organization for serving the various field branches of Federal agencies thereby effectively, economically, and expeditiously.

Each regional office would be required to:

Conduct a continuous retirement-system instruction and training program for administrative officials in the various field branches of Federal agencies in the region to enable such officials to advise their employees and keep them fully informed, through mandatory agency-initiated interviews and meetings, concerning the status of individual accounts, creditable service, alternative privileges or options they might exercise to obtain maximum benefits and protection under the Retirement Act;

Maintain (1) files of beneficiaries designated by annuitants and employees; (2) a retirement-record system of service records of employees in the executive civil service within the region; (3) records of individual accounts of voluntary deposits, and (4) retirement accounts of separated employees;

Enforce revised regulations requiring employing agencies to (1) maintain complete individual retirement accounts (Civil Service Commission form 2806) for employees on retirement-fund rolls in active service at such levels of the agency's organizational structure within the civil-service region as to make such records available at all times to their employees; and (2) issue annual statement to each employee of his total creditable service and equity in the retirement system;

Process appeals, maintain liaison and conduct negotiations with regional, area, and local officials of other agencies relative to furnishing specific information on individual accounts, and hold conferences with administrative, personnel and other agency officials for improvement of retirement-system information and advisory service for each employee of such agency;

Distribute retirement-fact literature to agencies for redistribution to all employees, and release new information to the press and radio;

Conduct interviews with individual employees upon request; and

Perform other work essential to the proper administration or Federal field retirement-system activities under its jurisdiction.

(NOTE.—Before the decentralization plan is put into operation and regional retirement officers are charged with these responsibilities and duties, they should be given intensive instruction and training so that they are thoroughly conversant with every phase of the Commission's administration and operation of the Retirement System. To insure efficient operation, the Commission should appoint full-time regional retirement officers, rather than permit assignment of Retirement System duties to personnel distracted by other work and responsibilities.)

Existing regulations would require only slight modification to remedy present deficiencies.

Part 29, Retirement, of the Commission's present regulations contained in the March 7, 1947 supplement to the Federal Personnel Manual provides in part: " * * * The administrative offices of the departments and independent agencies shall initiate and maintain * * * a retirement record system which will furnish all required information for each employee subject to the provisions of the Civil Service Retirement Act * * * The individual retirement account, Civil Service Commission Form 2806, shall be established for each employee * * * and shall be maintained by the employing department or agency. The retirement account * * * shall be the basic record from which the rights of individuals under the Retirement Act shall be determined * * * Immediately upon the separation of an employee from the service of any department or agency, the retirement account shall be completed to date, and the cause and date of separation recorded. The account shall then be certified as to its correctness * * * and forwarded at once to the Civil Service Commission. * * *"

The existing regulations are a basis for action but do not extend sufficiently to fulfill each employee's urgent need of readily available retirement information and service, as for example, whenever changes in his personnel status occur and for other reasons.

Agencies should be required to currently maintain complete individual retirement account cards (Form 2806) at levels in their national organizational structure within the civil-service region near or at the place where the employee works so that official information pertaining to his retirement account is readily available to him at all times. These account cards should be forwarded to the regional office when the employee is separated from service rather than to the Commission in Washington as now required. All essential information relative to retirement could be furnished Washington headquarters by the regional office as now is the practice in connection with all other personnel activities.

The employing agency should be required to keep the employee advised as to his retirement status in order that the employee's benefit rights, options and privilege of selection as to one of several provisions may be protected against loss which could result from the mere expiration of a specified period of time during employment or following separation from service. Likewise since many employees are transferred from their original agency to one or more agencies, the individual account record should be consolidated in the regional office nearest his place of last employment so that the complete and accurate record would be easily accessible for ready reference and for prompt final disposal action.

The primary objective of the decentralization plan, therefore, is seen to be cohesion of administrative action for the protection of the employee with the principal addition

of the information and advisory service emphasized.

As stated previously, the mandatory programs and procedures suggested in the decentralization plan should be instituted for the same reasons and principles which made it necessary and feasible for the Civil Service Commission, Veterans' Administration, Social Security Board, and other Government agencies to decentralize principal activities to their regional and branch offices throughout the country.

Were these new retirement system programs and procedures now in effect and all field employees aware of them, as they are of functions and services of the regional civil-service offices other than retirement, most of the difficulties, confusion, and misunderstanding would be eliminated. The Commission headquarters in Washington also would be relieved of the bulk of the tremendous volume of correspondence which it admits its inability to cope with on the basis of individually prepared replies.

If this decentralization plan is adopted, the writer believes the Civil Service Commission can more effectively, economically, and expeditiously fulfill its moral obligation to furnish the pertinent facts pertaining to the retirement system to every employee, thus affording equal opportunity to enjoy the benefits provided by the Civil Service Retirement Act.

H. R. 2744

EXTENSION OF REMARKS OF HON. OVERTON BROOKS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 22, 1947

Mr. BROOKS. Mr. Speaker, I especially want to address myself to the explanation of title III of H. R. 2744. It is this section of the bill which constitutes a departure from the past in the handling of the Reserve components of our armed services. This section is intended to offer an incentive to add to the number of both enlisted and officer personnel of all branches of our Reserve components as well as to increase efficiency by inducing them to a longer period of service.

By way of introduction, I wish to say that this Nation must build up its trained reserves. This is of urgent importance to every one of us. We cannot continue to reduce the size of our Regular Army, Navy, and Air Establishments without providing for a larger and more efficiently trained reserve. In the Army, our enlisted strength has dropped to 1,000,000, which is somewhat below the authorized strength agreed upon by Congress. In the next 2 years, it is expected that this will fall further to the level of about 877,000 persons. As the size of our regular establishments fall, the demand to supplement them with trained reserves increases proportionately.

I might say that our recruitment program for the Army Reserve components has not brought the result for which we had hoped. In the National Guard, the figures show that we have recruited some 80,000 members to date out of a total estimated need of 681,000. In the Reserve proper, recruitment of officer strength is proceeding rather well; but

I am sorry to be forced to report that the program of recruitment of enlisted personnel for the reserves has hardly begun. It is very apparent that a further stimulus is needed if we are to build up our National Guard to the required size and if we are to bring into existence full units of Reserves—not just paper units as we had before the war—and by this I mean organizations with both enlisted personnel and officers as are required by the tables of organization.

HISTORY OF LEGISLATION

Mr. Speaker, because of the difficulties in maintaining proper Reserves and National Guardmen in the past, a number of years ago a committee was formed, consisting of representatives of the Regular Army, National Guard, and Organized Reserves for the purpose of working out a program of retirement benefits which would be large enough to become an incentive to retain personnel in the Reserve Components and at the same time small enough to permit this Government to finance such a program. At a later date, representatives from the Navy were added to the committee. Over a period of years, the suggestions outlined in H. R. 2744 were evolved. I myself have been working continuously upon such a program for some 5 years; and I am glad to say today that this plan, worked out after much painstaking effort, which required compromises and sacrifices from all branches of service, has the support of all of our Organized Reserve Units as well as the support of all interested patriotic and reserve organizations which are dedicated to the maintenance of a proper defensive posture for this country. A similar bill to this one was approved last Congress by the House but it died in the Senate.

H. R. 2744, TITLE III

H. R. 2744, title III, provides a retirement system within the grasp of members of the National Guard and Army and Navy Reserves. As an inducement to continuous service, we provide a retirement program for the members of the Reserve components at the age of 60 years provided they have at least 20 continuous years of service. Our plan is to provide these retirement benefits based upon a system of credits which can be earned by both officer and enlisted personnel. For active Federal service—I mean full-time service with the armed services—the plan allows a credit each year equal to 2½ percent of the base and longevity pay at the highest grade, either temporary or permanent. In addition, the plan provides for an annual credit for each year of inactive Federal service equal to one-half percent of the base and longevity pay. In no case can the total credits exceed 75 percent of the base and longevity pay.

To illustrate, if an enlisted man should serve in the National Guard for a period of 20 years, 5 years of which shall be with the Army in camp or in the field, that man shall be entitled to a credit upon his retirement benefits equal to 12½ percent for his active Federal service and a credit of 7½ percent for his 15 years of inactive Federal service, making a total credit of 20 percent of his base and longevity pay. To arrive at the exact

amount of his retirement benefits when he reached retirement age of 60 years, we have but to multiply his pay by 20 percent.

You may inquire just how does the individual earn the active duty credits necessary for retirement—for H. R. 2744 provides a schedule of the minimum amount of active duty necessary to retirement. Active duty credits are earned by war, by attending summer training camps, taking summer cruises with the Navy, calls from the reserves to temporary active duty, and by attending the minimum number of monthly drill periods and study periods. In reference to the latter, this plan provides that every member of the Reserve components shall be entitled to a credit of 30 days' active Federal service for his work of attending the minimum number of drill and study periods during the course of the year. This 30 days' credit, together with 2 weeks' summer camp training program, will guarantee a minimum of 1½ months' active duty credit to everyone maintaining the satisfactory rating as a member of any one of the Reserve components.

One of the phases of this matter which has given all interested persons most cause of study and concern was the establishment of a fair minimum active duty requirement. Specifically, how much credit should be allowed for active Federal service performed in the past? In reaching the schedule which you will find in the report on this bill, the committee in effect compromised this matter. It sets forth a schedule requiring either 3 or 4 years of active Federal service of which a definite part of this service must be in the future. Only in the case of the veteran reservist with as much as 20 years' service in the past, of which over 4 years shall be active Federal service, is the requirement for future active Federal service waived.

Of course, Congress wants to know the costs of the program which we present to you. Fortunately, I have figures of the War Department covering the entire nondisability retirement costs estimated for the next 10 years. I find that the nondisability retirement costs for the next 10 years with the Regular Establishment begins at \$1,500,000 as of next year and continues to the sum of \$5,118,000 10 years hence. On the other hand, the costs of nondisability retirement of the Reserve components begins next year at the figure of \$51,000 and continues for 10 years, at which time it will cost the Government \$1,455,725. This means that the entire retirement plans as we present to you today will cost at the end of 10 years less than \$1,500,000 per year. It is not possible to estimate the costs of this program beyond the 10-year period. Too many variable factors enter into the situation to permit any accurate forecast beyond this period.

In conclusion, I urge the adoption of H. R. 2744 as the means of building up our Reserves. I believe now as I have always believed that a democracy is best defended by a reasonably small standing Army and by a well-trained and well-equipped civilian reserve. The Nation is depending upon at least 1,000,000 persons, both officers and men, in the Re-

serve components of our armed services; and I can tell you we are a long way from this figure at the present time. Equally important as are numbers is the need for preventing rapid turn-over in the Reserve personnel and it is my belief that H. R. 2744 will provide one of the very best means of preventing rapid turn-over and will provide for continuing service.

Taft-Hartley Law

EXTENSION OF REMARKS OF

HON. FRED A. HARTLEY, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 22, 1947

Mr. HARTLEY. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by David Lawrence from the United States News of July 10, 1947:

EXTRA: "WAGNER ACT NOT DESTROYED"—
A. F. OF L.

(By David Lawrence)

NATIONAL UNION'S GENERAL COUNSEL ADMITS THAT PROTECTIONS AGAINST UNFAIR LABOR PRACTICES ARE LITTLE CHANGED FROM ORIGINAL WAGNER ACT—OBLIGATIONS UNDER NEW LAW RECOGNIZED IN NEW COAL CONTRACT

Last week the American Federation of Labor issued through its general counsel three bulletins giving legal interpretations of the new labor law. And what do we find? A careful statement of advice to members as to what the law permits or prohibits.

Most revealing in the third A. F. of L. bulletin is the frank admission that the Taft-Hartley law does not destroy the Wagner labor relations law at all. Here is the exact language of the first sentence in the bulletin:

"The five employer unfair labor practices contained in section 8 of the original Wagner Act are repeated in the same language in the new act."

This is something the A. F. of L. and CIO did not tell their members during the recent controversy in Congress over the Taft-Hartley bill. Nor did the A. F. of L. convey to the public any declaration similar to the one quoted above. Instead the bill was attacked as a "slave labor" bill and one that allegedly destroyed collective bargaining and the Wagner Act—the great Magna Carta of labor.

Continuing, the A. F. of L. bulletin's next sentence reads:

"However, there are other provisions added to section 8 which serve to whittle down the protections previously existing."

What is meant here, of course, is not that the original language of the Wagner Act has been amended or altered, but that certain interpretations issued on its own by the National Labor Relations Board have been nullified as being contrary to the intent of Congress.

"Protections" lost? But are these provisions substantial? The A. F. of L. bulletin resumes:

"For instance, the protections against interference and discrimination through discharge or demotion are weakened by not permitting the Board to consider employer anti-union statements (unless involving actual threats) as background evidence, so that it will now be more difficult to prove antiunion bias. Furthermore, it may be that the employer will be excused from a discriminatory discharge if he can show there was a cause for the discharge other than union membership. Finally, the requirements in respect

[PUBLIC LAW 263—80TH CONGRESS]

[CHAPTER 353—1ST SESSION]

[H. R. 1995]

AN ACT

To amend the Civil Service Retirement Act of May 29, 1930, as amended, to provide for the return of the amount of deductions from the compensation of any employee who is separated from the service or transferred to a position not within the purview of such Act before completing ten years of service.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 12 (b) of the Civil Service Retirement Act of May 29, 1930, as amended, is amended to read as follows:

“(b) In the case of any officer or employee to whom this Act applies who shall be transferred to a position not within the purview of this Act, or who shall become absolutely separated from the service before he shall have completed an aggregate of ten years of civilian service computed in accordance with section 5 of this Act, the amount of deductions from his basic salary, pay, or compensation credited to his individual account, together with interest at 4 per centum compounded on December 31 of each year, shall, upon his request, be returned to such officer or employee: *Provided*, That when an officer or employee becomes involuntarily separated from the service, not by removal for cause on charges of misconduct or delinquency before completing ten years of creditable civilian service the total amount of deductions from his basic salary, pay, or compensation with interest at 4 per centum compounded on December 31 of each year shall, upon his request, be returned to such officer or employee: *Provided further*, That in case any request under this subsection is submitted after the date of transfer to a position not within the purview of this Act or of absolute separation from the service, the interest allowed for the period after such date of transfer or separation shall be at the rate of 3 per centum compounded on December 31 of each year: *Provided further*, That no such interest shall be allowed on any separation unless the service covered thereby aggregates more than one year: *And provided further*, That all deductions from basic salary, pay, or compensation so returned to an officer or employee must, upon reinstatement, retransfer, or reappointment to a position coming within the purview of this Act be redeposited with interest at 4 per centum compounded on December 31 of each year before such officer or employee may derive any benefits under this Act, except as provided in this section, but interest shall not be required covering any period of separation from the service. In computing interest under this subsection, a fractional part of a month in the total service, or in the total period after the date of transfer or separation, of an officer or employee shall be disregarded.”

SEC. 2. The amendment made by the first section of this Act to section 12 (b) of such Act of May 29, 1930, as amended, shall take effect as of January 24, 1942.

Approved July 30, 1947.



